CANADA

HOUSE OF COMMONS DEBATES

OFFICIAL REPORT

FIRST SESSION—TWENTY SIXTH PARLIAMENT

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COMPRISING THE PERIOD FROM THE SIXTEENTH DAY OF MAY, 1963,
TO THE TWELFTH DAY OF JUNE 1963, INCLUSIVE

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House of Commons Debates

OFFICIAL REPORT

Speaker: The Honourable Alan A. Macnaughton

FIRST SESSION—TWENTY SIXTH PARLIAMENT

The twenty fifth parliament having been dissolved by a proclamation on Wednesday, February 6, and writs having been issued and returned, a new parliament was summoned to meet for the dispatch of business on Thursday, May 16, 1963, and did accordingly meet on that day.

Thursday, May 16, 1963

This being the day on which parliament is convoked by proclamation of His Excellency the Governor General for the dispatch of business, and the members of the house being assembled:

Leon J. Raymond, Esquire, O.B.E., the Clerk of the House, read to the house a letter from the assistant secretary to the Governor General informing him that the Honourable J. R. Cartwright, M.C., puisne judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, would proceed to the Senate chamber to open the first session of the twenty sixth parliament of Canada on Thursday, the sixteenth day of May, at 10.30 a.m.

A message was delivered by Major C. R. Lamoureux, Gentleman Usher of the Black Rod, as follows:

Members of the House of Commons:

The Honourable the Deputy Governor General desires the immediate attendance of honourable members in the chamber of the honourable the Senate.

Accordingly, the house went up to the Senate chamber, when the Speaker of the Senate said:

Honourable Members of the Senate,
and Members of the House of Commons:

I have it in command to let you know that the Honourable the Deputy Governor General does not see fit to declare the causes of his summoning the present parliament of Canada until the Speaker of the House of Commons shall have been chosen according to law, but this afternoon, at the hour of three o'clock, the administrator of the government of Canada will declare the causes of calling this parliament.

And the house being returned to the Commons chamber:

ELECTION OF SPEAKER

MR. ALAN A. MACNAUGHTON, MEMBER FOR THE ELECTORAL DISTRICT OF MOUNT ROYAL

Right Hon. L. B. Pearson (Prime Minister): Mr. Raymond, it is a source of some encouragement to me to feel that the first words I utter from this side of the house may, I believe will, receive more approval, indeed I hope unanimous approval, than some I may be uttering as the session continues. We have just been reminded, in a ceremony that goes to the very roots of our parliamentary history and emphasizes the continuity of that history, that we will not be in a position to receive the speech from the throne, indeed we will not be in a position to take any action—in fact I am not sure that we are constituted as a House of Commons at all—until we choose a Speaker. It is my duty to begin the process of rectifying this omission, and for that purpose it is my privilege to nominate the hon. member for Mount Royal, Mr. Alan Aylesworth Macnaughton.

Mr. Macnaughton was born in Ontario and was educated in Ontario, Quebec and the United Kingdom. He is a Queen's counsel learned in the law, and he has had experience and success in business. He has been a member of the house since 1949 and has made distinguished contributions to the work of parliament during that period.

Perhaps I might be permitted to mention particularly his work during the twenty fourth parliament as chairman of the public accounts committee, when he showed those qualities

of impartiality, objectivity, a sense of proportion and fairness which I believe make him eminently suitable for the high office of Speaker of this house. In that office he will be the guardian of the rights and privileges of the house and of all the hon. members of the house in accordance with the historical and valued traditions of our parliamentary system inherited from the mother of parliaments at Westminster.

His functions, of course, will also include presiding over the deliberations of the house, not always the easiest responsibility to discharge and one requiring both judicial fairness and impartial firmness.

Perhaps the qualities that are required for a Speaker of the House of Commons were never better described than by the Greek philosopher Socrates when, referring to the qualities that are required for a judge, he said, "four things belong to a judge; to hear courteously, to answer wisely, to consider soberly and to decide impartially." I believe the hon. member for Mount Royal has these qualities to a very unusual degree; therefore I take great pleasure in moving, seconded by the Minister of Justice (Mr. Chevrier):

That Alan A. Macnaughton, Esquire, member for the electoral district of Mount Royal, do take the chair of this house as Speaker.

(Translation):

Hon. Lionel Chevrier (Minister of Justice): Mr. Raymond, it gives me great pleasure to second the motion of the Prime Minister (Mr. Pearson) for the nomination of Mr. Alan Macnaughton, member for Mount Royal, as Speaker of this house.

As the Prime Minister pointed out a while ago, we have known Mr. Macnaughton for many years. In fact, not only do we know him for his qualities as member of the House of Commons, but more particularly for the talent he has shown as chairman of the public accounts committee.

As I recall, the task of that committee was both difficult and delicate, and when the then prime minister suggested that Mr. Macnaughton be appointed chairman of that committee, I must tell the house that each and every one of us entertained some misgivings as to the manner in which both the members and the chairman of the said committee would behave. However, Mr. Macnaughton discharged his duties in brilliant fashion and also with a sense of fairness to all members regardless of their political affiliation.

I am pleased, therefore, to second the motion of the Prime Minister and wish to add that Mr. Macnaughton, who already has the required qualifications, will show wisdom, intelligence, patience and calm in the performance of his important functions.

[Mr. Pearson.]

(Text):

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Raymond, my first words as Leader of the Opposition will be in full agreement with what the Prime Minister has said regarding the qualifications of Mr. Macnaughton. I am sure this will not be one of those occasions that will be taken as a precedent for the days ahead, in that my first words are of agreement with the leader of the government. As he said, the Speaker of the House of Commons has a high and exalted position, one revered in the history and the traditions of British parliamentary government and, as the Prime Minister has said, a position that commands high qualities, knowledge of parliament and its traditions, recognition of the rights of minorities and the preservation of the ancient privileges of parliament. He needs tact and, as one British Speaker said, the ability to hear when it is appropriate to do so and not to see when it is appropriate not to see. In other words he needs to have that tact which maintains the traditional atmosphere of parliament, which maintains decorum in the thrust of debate, and above all assures that of which the famed Speaker of the British House of Commons, Mr. Lowther, has said:

The House of Commons is not a public meeting, a conference or a convention, where opposition can be stifled by disturbance or silenced by shouting. History records many instances of the failure of representative assemblies to listen to the voice of reason and to be overborne by concerted and prearranged, or even spontaneous, noise and violence.

In other words, if this and all other parliaments are to be effective there must be that co-operation among hon. members to assure that the institution shall be preserved as a deliberative body wherein free speech is the right, not the privilege, of every hon. member of the house.

The Speaker is the custodian of the rights of parliament. He has great rights and great privileges. In the United Kingdom he enjoys freedom from income tax. That is one of the rights that we have not brought to this country for the Speaker, but in these 60 days of decision the Speaker who is chosen may live in hope that this will be included in the promised beneficence of those who now hold office.

Mr. Clerk, I noted in the remarks of the Prime Minister that he did not make any reference to bringing about that of which he spoke on a number of occasions, the permanence of the Speaker, making it possible even under our system for a Speaker to have that authority which comes through permanence. In that connection I would point out that in 1957 I endeavoured to take a step in that direction, but it was not effective. The Prime

Minister of today has often spoken in favour of this, and I would have thought this would be an occasion when he would have been able, in his position of responsibility, to give his views thereon. In point of fact it has been debated recently in the British House of Commons, the mother of parliaments. There, on April 23, a bill came before the house which would have provided for the setting up of a special constituency known as the electoral district of St. Stephen.

It is of interest that a similar view has been expressed in our parliament. In the course of the debate, limited as it was, it was pointed out that it is better to have a permanent Speaker who is a member of the House of Commons, rather than one set apart through a medium other than election. In other words, the first commoner should be one of us, and I would hope that we, in the days ahead, will be able, in the setting up of the Speaker's committee, to deal with this question in order to assure that we in our country, recognizing the constitution as it is and the inherent bilingualism of our country, will be able to achieve the strength and authority that comes from permanence of this office.

Now, speaking of the nominee may I say this. The Prime Minister referred to the fact that Mr. Macnaughton had been chairman of the public accounts committee. That was a step we took in order to make that body effective, strong and efficient. He discharged his responsibilities there with ability, capacity and impartiality.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: Mention was made of the fact that he was raised in Ontario and had gone to Quebec. There are other instances among the members of this house in which that has been an effective result. I congratulate the Prime Minister upon his nomination of Mr. Macnaughton, and in a spirit of co-operation which I hope will be effective in all parts of this house we will endeavour to do our part, if he is chosen, to make him the great Speaker for which his experience as chairman of that committee indicates he has the talents and capacity.

Mr. R. N. Thompson (Red Deer): Monsieur Raymond, it would be repetitious to again go over the importance which the position of Speaker holds in this House of Commons and the necessity of having in this position a man who can, in fairness, chair the proceedings of the house and give the stability which only the Speaker can give the house. We do agree with the remarks which have been made by the Prime Minister (Mr. Pearson) and by the leader of the official opposition (Mr. Diefenbaker) in this regard.

I believe it is our responsibility to consider carefully during the days ahead—and I believe this responsibility falls particularly on the Prime Minister—those reforms which will make the position of Speaker permanent in our midst. It is not an easy task that we are asking the hon. member for Mount Royal to perform, if we give our approval, which I trust we will. It would add much to the efficient carrying out of his responsibilities if he were to have the permanence about which the Leader of the Opposition has just spoken.

I trust that the Prime Minister will have more success in the months ahead in establishing the permanency of the Speaker than did the leader of the official opposition when he was prime minister. It is something that we all talk about being in agreement with, but it seems it is very difficult to produce the necessary action to bring in those reforms. We in our group are in favour of action being worked out in the necessary committee, and proposals being studied and put through to effect such a reform.

We as a group do not know Mr. Macnaughton, the hon. member for Mount Royal, so well personally, but last year we were impressed with the manner in which he carried out his responsibilities as chairman of the public accounts committee. If he carries that same ability and fairness into this position, I am sure he will prove himself an able Speaker of this house, if he is given our confidence. For our group it is with a great deal of pleasure that I state we will give our support to his nomination. Certainly the country needs a responsible attitude in this House of Commons toward the needs of our country, and this is a very good way in which it can begin.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Raymond, the New Democratic party members of this house are happy to support the motion which has been moved by the Prime Minister.

We feel that the nominee, Mr. Macnaughton, the member of parliament for Mount Royal, is eminently suited to occupy this high post. In spite of the unanimity which has greeted his nomination we shall witness in a few moments the hon. gentleman having to be dragged to the Speaker's chair. This is part of a long tradition by which members always express great reluctance to occupy this post. This was understandable in days gone by, when it meant the possible loss of your head by an irate monarch, but I am sure that even now the reluctance is not completely feigned. To leave the floor of the House of Commons and accept this exalted position does imply some hardship and some surrender of the things one would like to do, for

when a man occupies the Speaker's post he ceases to be the servant of a party or of the government and becomes a servant of this House of Commons. It is his task to see that the rights of all members are protected and maintained, and particularly the rights of minorities and the rights of the House of Commons itself.

Every member of parliament remembers with some pride the words of an earlier speaker of the mother of parliaments, Speaker Lenthall, who said to a monarch, King Charles I, "I have neither ears to hear nor eyes to see but such as this house shall command me". It is this tradition which has made our parliamentary institutions possible, that we have a member who is set aside to be the servant, not of parliament, not of the government, not of the opposition, but of the house itself.

We sir, will be very glad to support this motion and to co-operate with the hon. gentleman when he occupies this post, in order that this twenty sixth parliament may be useful and effective.

(Translation):

Mr. Georges Valade (St. Mary): Mr. Raymond, it is with great pleasure that I join with the Leader of the Opposition (Mr. Diefenbaker) to support the nomination of the hon. member for Mount Royal (Mr. Macnaughton) as Speaker of the house.

I feel it is appropriate that, as a member of a Montreal riding, I should be asked to support the nomination of a fellow member from the metropolis of Canada.

That this agreeable task should have been entrusted to a backbencher makes me feel very proud and shows that the Leader of the Opposition gives to ordinary representatives of the people as much importance as to members of the cabinet.

Mr. Macnaughton's personal qualities are well known by the members of the house, where he has friends only.

He showed impartiality—a *sine qua non* condition to hold the office of Speaker—when he presided over the deliberations of the public accounts committee, of which I had the honour to be a member.

Mr. Macnaughton is loyal, straightforward and honest. He will undoubtedly fill his post with dignity, as did his predecessors.

Therefore, Mr. Raymond, I am very happy to support his nomination and to wish him health and success in his new functions.

Mr. Real Caouette (Villeneuve): Mr. Raymond, on behalf of the French speaking Social Credit members, I am happy to second the earlier statement of our leader, to the effect that we shall support Mr. Speaker in the discharge of his duties. We want to assure him of our fullest co-operation, while stressing that we shall not try to elude our own responsibilities as representatives of the people.

It was mentioned earlier today that the rights of minorities in this house must be protected. We shall, indeed, demand justice for each and every member of the house.

We have not been elected to play politics, but for serious reasons of administration. National affairs are not the concern of a single group, but of the whole nation and its representatives. We must therefore stress the need of affirming a living democracy, which means the freedom of expressing our thoughts and ideas, and also full freedom so that each group in the house may raise its voice loudly and firmly in saying "Long live Canada; long live the two races which are the cornerstone of confederation, and long live all Canadians."

(Text):

The Clerk of the House declared the motion carried in the affirmative, *nemine contradicente*, and Alan A. Macnaughton, Esquire, member for the electoral district of Mount Royal, duly elected to the Chair of the house.

Mr. Macnaughton was conducted from his seat in the house to the Speaker's chair by Right Hon. L. B. Pearson and Hon. Lionel Chevrier.

Mr. Speaker: Hon. members of the House of Commons, may I express to you my humble acknowledgement of the great honour which you have conferred upon me by choosing me to be your Speaker.

I wish to express my gratitude to the Prime Minister (Mr. Pearson) for his generous words in proposing my name. May I digress just for a moment and say to the Leader of the Opposition (Mr. Diefenbaker) that during the last five years while I was chairman of the standing committee on public accounts I appreciated very much—and I wish to testify in public to this fact—that at all times I had the active friendship and support which on more than one occasion was sorely needed. I wish to take this opportunity of thanking the right hon. gentleman publicly for his kind consideration and for his trust.

My thanks also go to the leaders of the Social Credit party and the New Democratic party for their most generous endorsations, and to the seconder of the motion, the Minister of Justice (Mr. Chevrier). I also appreciate very much the remarks of other hon. members. I hope I may be worthy of the high honour of this expression of your confidence.

It will be my duty to preserve the precious heritage of this historic chamber, to maintain decorum and order in debate and above all to exercise fairness and impartiality in

protecting the rights of every individual member. I ask for your patience and co-operation in our joint endeavours, and pray that I may be guided in fulfilling my duties in such a way that I may do justice to all hon. members and to this house whose servant I am.

(Translation):

Hon. members of the House of Commons, I thank you most sincerely for the honour you are conferring upon me and for the great token of esteem and confidence you are giving me. I must admit most humbly that I do not possess all the qualities that you were good enough to see in me. I shall strive nevertheless to act in all circumstances with the same dignity, firmness and fairness shown by my predecessors in the chair.

I shall always keep in mind that the fruits of freedom have matured, so to speak, with the help of tradition in the flowery garden of parliamentary procedure whose origin goes back to the Anglo-Norman monarchy. Inherited from our common ancestors, the duality of language and culture which proceeds naturally and normally from this tradition and this freedom is nowhere more evident than in the Canadian parliament. And furthermore, we must remember also that it is enshrined forever in our constitution.

As for the future, I sincerely hope that with your co-operation, I shall succeed in maintaining in this house the proprieties, rights and privileges that we have inherited from the past.

Hon. members of the House of Commons, I thank you once again from the very bottom of my heart.

(Text):

SITTING SUSPENDED

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, before making the suggestion which I wish to make I should like to congratulate you on your selection as Speaker of this house. I feel certain that you will conduct yourself in such a way as to strengthen the feeling of the desirability of permanence in the speakership to which the right hon. gentleman opposite referred this morning with such great approval, and which is a matter which can be discussed in the committee on procedure which I hope the house will be setting up without any delay. But I cannot hold out any hope to you for any move by this government which will exempt you from income tax, because of the terrific deficit which we have inherited from the last government.

Mr. Speaker, I suggest that the sitting be suspended until 3 p.m. this day.

Mr. Speaker: The house has heard the suggestion of the Prime Minister that this sitting be suspended until three o'clock this day. Is it the pleasure of the house to concur in this suggestion?

Some hon. Members: Agreed.

Mr. Speaker: I declare the sitting suspended until the ringing of the bells at 3 p.m. this day.

At 11.35 a.m. the sitting was suspended until 3 p.m. this day.

SITTING RESUMED

The house resumed at three o'clock.

OPENING OF THE SESSION

Mr. Speaker read a communication from the Governor General's secretary announcing that His Excellency the Administrator of the government of Canada would proceed to the Senate chamber at three o'clock on this day, for the purpose of formally opening the session of the dominion parliament.

A message was delivered by Major C. R. Lamoureux, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, it is the pleasure of His Excellency the Administrator that this honourable house attend him immediately in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the house went up to the Senate chamber. Then Hon. Alan Macnaughton, Speaker of the House of Commons, said:

May it please Your Excellency,

The House of Commons have elected me their Speaker, though I am but little able to fulfil the important duties thus assigned to me.

If in the performance of those duties I should at any time fall into error, I pray that the fault may be imputed to me, and not to the Commons, whose servant I am, and who, through me, the better to enable them to discharge their duty to their Queen and country, humbly claim all their undoubted rights and privileges, especially that they may have freedom of speech in their debates, access to Your Excellency's person at all seasonable times, and that their proceedings may receive from Your Excellency the most favourable construction.

The Honourable the Speaker of the Senate, addressing the Honourable the Speaker of the House of Commons, then said:

Mr. Speaker, I am commanded by His Excellency the Administrator to declare to you that he freely confides in the duty and attachment of the House of Commons to Her Majesty's person and government, and not doubting that their proceedings will be conducted with wisdom, temper and prudence, he grants and upon all occasions will recognize and allow their constitutional privileges.

I am commanded also to assure you that the Commons shall have ready access to His Excellency upon all seasonable occasions, and that their proceedings as well as your words and actions, will constantly receive from him the most favourable construction.

Then His Excellency the Administrator was pleased to open parliament by a speech from the throne.

And the house being returned to the Commons chamber:

Mr. Speaker: I have the honour to report that, the house having attended on His Excellency the Administrator in the Senate chamber, I informed His Excellency that the choice of Speaker had fallen upon me, and, in your names, and on your behalf, I made the usual claim for your privileges, which His Excellency was pleased to confirm to you.

OATHS OF OFFICE

Right Hon. L. B. Pearson (Prime Minister) moved for leave to introduce Bill No. C-1, respecting the administration of oaths of office.

Motion agreed to and bill read the first time.

SPEECH FROM THE THRONE

Mr. Speaker: I have the honour to inform the house that when the house did attend His Excellency the Administrator this day in the Senate chamber, His Excellency was pleased to make a speech to both houses of parliament. To prevent mistakes, I have obtained a copy, which is as follows:

Honourable Members of the Senate:

Members of the House of Commons:

I welcome you to the first session of the twenty sixth parliament of Canada.

I am honoured today to act for His Excellency the Governor General, whose place in the respect of the Canadian people is second only to that of Her Majesty the Queen and whose early recovery to full health is sincerely wished by us all. I know that all members of this parliament would wish to join in expressing to Her Majesty the sentiments of loyalty which were recently conveyed to her by the Prime Minister.

You are deliberating the course of our country in times of great change throughout the world. These are times that test old virtues. They are times that open up new opportunities. Familiar ways of thought and action are becoming less certain guides. Many old paths are no longer open to us. The task before us is to seek out, with wisdom and imagination, those new paths that will lead us surely forward.

As Canadians we can work with hope. Our country has a proud history. Now there are expanding opportunities open to us. But they depend on our overcoming serious problems. It is only with courage and perseverance and hard work that we will achieve the better life that is within our power, for ourselves and for our children.

Our progress is the work of all the people. In a free country, we are all responsible. The determination of my ministers is that the government through its policies will contribute the leadership, the purpose, the decision that are its responsibilities to the people.

The character and strength of our nation are drawn from the diverse cultures of people who came from many lands to create the Canada that is ours today. The greater Canada that is in our power to make will be built not on uniformity but on continuing diversity, and particularly on the basic partnership of English speaking and French speaking people. My ministers are determined that the partnership shall be truly equal. For that high purpose they are establishing, in consultation with the governments of the provinces, a commission charged to study, thoroughly but urgently, how the fundamentally bicultural character of Canada may best be assured and the contribution of other cultures recognized.

To make us a more united people, the government will in all things strive to strengthen and to give new direction to our Canadian confederation. It will foster the spirit of co-operative federalism, fully respecting the rights of the provinces while safeguarding and extending the equality of opportunity which properly belongs to all Canadians in all parts of our country. In these purposes, as in others, my ministers will seek frequent consultation with the governments of the provinces.

The principles of Canadian external policy are those of the United Nations charter, to maintain peace with justice and respect for human rights and fundamental freedoms; and to promote the welfare of all peoples by international co-operation. My ministers will seek solutions to international problems by diplomacy and negotiation. In particular, my ministers will strive to lessen international tensions and halt the arms race by seeking measures of controlled disarmament, including a treaty to end nuclear tests under reasonable safeguards.

Meantime, my ministers believe that there is no alternative to the maintenance of the defences of the free nations as a deterrent to war. In particular, a strong North Atlantic Treaty Organization, including adequate defence on the north American continent, remains essential to Canada's security. For this purpose, the armed forces of Canada should have available the modern weapons necessary to perform effectively the defensive tasks which Canada has undertaken in the alliance. Next week, we will take pleasure in welcoming to Ottawa the ministerial council of the North Atlantic Treaty Organization. My government is convinced that on the foundation of the present alliance a true community of the Atlantic peoples will one day be achieved.

In recent weeks the Prime Minister has had friendly and constructive discussions with the Prime Minister of the United Kingdom and with the President of the United States of America. By such visits and other means the government will continue to improve political and economic relationships with other countries. It is my ministers' intention to assist in enhancing the unique value of the commonwealth partnership in international relations.

Canada's economic progress is vitally dependant on vigorous economic expansion throughout the world. We must expect continuing rapid changes in international trading relationships, changes that face Canada both with problems of adjustment and with new opportunities. My ministers believe that the nations can best achieve economic progress through policies that steadily reduce the barriers limiting trade. It is equally important to pursue active policies for the economic development of the newer nations, for the expansion of trade in primary commodities at reasonably stable prices, and for the improvement of international payments.

Canada will take a constructive part in trade and other economic negotiations. In order to increase employment and production in Canada, it is the purpose of my ministers to expand Canada's export

trade, to strengthen our payments balance with other countries, and to ensure increasingly high confidence in our economy and currency.

Steady work is the basic need on which men and women depend for the well-being of themselves and their families. Unemployment, on the serious scale of recent years, is therefore the most urgent of our domestic problems. To provide the many new jobs that are needed every year, we must create new industries. The fiscal and monetary policies of the government will give priority to the encouragement of soundly based industrial expansion.

Provision will be made to assist labour and management to make manpower adjustments required by technological and other industrial changes. The special assistance for technical training will be extended in co-operation with the provinces.

Other measures will be put before you to assist in increasing production and employment in Canada.

You will be asked to provide for the early establishment of a department of industry, which will foster industrial expansion and provide a central point to which industry can look for consultation, stimulus and assistance. It will be proposed that, within the new department, there will be established an area development agency. This agency will work with the provincial governments and other organizations to co-ordinate programs for parts of the country where, because of chronic unemployment, a special thrust for development is needed.

Amendments to the Atlantic Development Board Act will be proposed, to strengthen the board and to provide for a capital assistance fund through which it can promote basic projects in the Atlantic region.

You will be asked to establish a municipal development and loan board, through which municipalities may obtain, with the approval of the provinces, loans and grants to carry out projects which will increase employment and improve services. Amendments to the National Housing Act will also be proposed.

A measure will be placed before you to establish a Canada development corporation, by means of which Canadians can more readily direct their savings to the building of new Canadian industries and to increasing the Canadian ownership of existing industries, which is one of the important objectives of the government.

A measure will be placed before you to establish an economic council of Canada, in order to assist the government, industry and labour to develop means of ensuring in Canada the highest possible levels of employment, of efficient production, and of sustained growth for our economy.

My ministers will pursue constructive policies for the development of Canada's great resources for the benefit of Canadians.

The government will undertake discussions with the government of British Columbia and with the United States, aimed at securing action on the development of the Columbia river.

A new Department of Agriculture act will be placed before you, to provide for two ministers in order that the needs of agriculture in both eastern and western Canada may receive closer attention. My ministers will institute new programs to make farming as a whole more stable and more prosperous. They will strive to expand markets for Canadian farm products both at home and abroad, with special attention to dairy products.

The government is initiating consultation with the provinces to work out a program for national fishery development. My ministers intend to secure the establishment of a twelve mile limit for the use of the Canadian fisheries, taking proper account of treaty and historic rights.

You will be asked to continue the existing payments to the railways, pending the approval of long-term measures concerning transportation. You will be asked to provide additional assistance for the completion of the trans-Canada highway.

My ministers have undertaken to establish a comprehensive system of contributory pensions. The new pensions will be co-ordinated with the existing provisions for old-age security, for the purpose of enabling all Canadians to retire in security and with dignity. While the arrangements required for this great advance in the social security of our people are necessarily complex, the legislation submitted to you will be designed to make the new pension plan operative as soon as possible.

Legislation on unemployment insurance is under consideration and in the meantime you will be asked to ensure that the fund is sustained to meet the claims on it.

The redistribution of electoral districts is overdue. You will be asked to authorize the establishment of a commission to undertake this important task.

A change in the Citizenship Act will be proposed to ensure full equality of rights for all Canadian citizens wherever they were born. Immigration policy will be reviewed.

Members of the House of Commons:

You will be asked to appropriate the funds required for the services and payments authorized by parliament.

You will be invited to establish a special committee of the house to examine defence problems.

It will be proposed that the standing committee on privileges and elections review the Canada Elections Act.

You will be asked to agree to the establishment of a committee on procedure, over which the Speaker will preside, with the aim of strengthening parliament and making it more effective.

Honourable Members of the Senate:

Members of the House of Commons:

In addition to the measures already specified, you will be asked to consider other legislative proposals.

May divine Providence guide you in your deliberations.

Right Hon. L. B. Pearson (Prime Minister) moved:

That the speech of His Excellency the Administrator, delivered this day from the throne to the two houses of parliament, be taken into consideration at the next sitting of the house.

Motion agreed to.

INTERNAL ECONOMY COMMISSION

Right Hon. L. B. Pearson (Prime Minister) presented the following message from His Excellency the Governor General:

The Governor General transmits to the House of Commons a certified copy of an order in council appointing the Hon. Lionel Chevrier, Minister of Justice, the Hon. J. W. Pickersgill, Secretary of State, the Hon. W. L. Gordon, Minister of Finance, and the Hon. Judy LaMarsh, Minister of National Health and Welfare, to act with the Speaker of the House of Commons as commissioners for the purposes and under the provisions of chapter 143 of the Revised Statutes of Canada, 1952, intituled: An Act respecting the House of Commons.

STANDING COMMITTEES

Right Hon. L. B. Pearson (Prime Minister) moved:

That a special committee be appointed to prepare and report, with all convenient speed, lists of members to compose the standing committees of this house; the said committee to be composed of Messrs. Caron, Churchill, Knowles, Leboe, Pickersgill and Winkler, and that the provisions of standing order 65(1) be suspended in relation to the number of members thereon.

Motion agreed to.

HOUSE OF COMMONS

APPOINTMENT OF CHAIRMAN OF COMMITTEES OF THE WHOLE

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I wish to make a motion regarding the appointment of the chairman of committees of the whole house. For that purpose I wish to submit the name of Lucien Lamoureux, Esquire, the hon. member for Stormont. Mr. Lamoureux is a young man who has been in this house for only a short period of time, but who has many years of public service both in Ottawa and in the civic affairs of his own city of Cornwall. He is a barrister, and he possesses qualities which I think will commend him to the house for the position to which I am nominating him. He is fluent in both languages. I am sure he will prove to be a worthy and respected occupant of the important office to which I now have the privilege of proposing his appointment.

I therefore move, seconded by the hon. member for Laurier (Mr. Chevrier), that Lucien Lamoureux, Esquire, member for the electoral district of Stormont, be appointed chairman of committees of the whole house.

Motion agreed to.

APPOINTMENT OF DEPUTY CHAIRMAN OF COMMITTEES OF THE WHOLE

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I should like to move that Mr. Herman Maxwell Batten, the hon. member for Humber-St. George's, who has been a member of this house since 1953, be chosen as deputy chairman of committees of the whole house.

Mr. Batten has been in the house for a good many years. He is known to a great many members of this house and of previous parliaments. He is a man of quiet friendliness and tolerant understanding, and he has won the respect of all members who know him. He has qualities which, along with his knowledge of the rules and procedures of this house, would in my opinion make him a very acceptable and worthy deputy chairman of committees.

Motion agreed to.

BUSINESS OF THE HOUSE

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I move, seconded by the hon. member for Laurier (Mr. Chevrier):

That when this house adjourns this day it shall stand adjourned until tomorrow at 2.30 p.m., and that the provisions of section 1 of standing order 2 be suspended in relation thereto.

Motion agreed to.

On motion of Mr. Pearson the house adjourned at 4.20 p.m.

HOUSE OF COMMONS

Friday, May 17, 1963

The house met at 2.30 p.m.

EXTERNAL AFFAIRS

NATO—CANADIAN ATTITUDE RESPECTING MULTILATERAL NUCLEAR FORCE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister what attitude the Canadian government intends to take at the NATO meeting next week in regard to the question of setting up a multilateral deterrent or mixed-manned nuclear force among the NATO nations. Does Canada intend to join in such a force? Would he also place before us something of the views that he exchanged and any decisions or determinations made in this connection during the conversations with the Prime Minister of the United Kingdom and the President of the United States?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, in reply to the question of the right hon. gentleman I would say that this matter of the stand to be taken by the government at the forthcoming NATO council meeting on a multilateral nuclear force and an inter-allied nuclear force is now under consideration by the government, and a final decision has not yet been reached. There was no commitment made or asked at the talks that I had with the Prime Minister of the United Kingdom and the President of the United States on this matter. The decision, of course, Mr. Speaker, is a very important one, and while the Canadian delegates to the NATO council meeting will have their instructions before the meeting opens, naturally the Canadian delegation will wish to hear what other delegations to the NATO council meetings say on the matter before a final decision is taken at the council itself.

Mr. Diefenbaker: Mr. Speaker, would the Prime Minister let the house know what the nature of the instructions will be in this connection, so the Canadian people will have information as to the course to be taken by Canada, the tentative course to which he has referred?

Mr. Pearson: Mr. Speaker, no one knows better than the right hon. gentleman that it is not the practice to make public instructions to Canadian delegations to international conferences before those conferences take place. I may have an opportunity to say something about this on Monday during the speech from the throne debate.

[*Later:*]

On the orders of the day:

Hon. D. S. Harkness (Calgary North): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. Is the NATO meeting being held here next week to be a full ministerial meeting with foreign, defence and finance ministers attending, or is it to be solely a meeting of foreign ministers as has frequently been the case with the spring meetings of NATO?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the meeting of the NATO ministerial council will take place on Wednesday next. It was originally intended to be only a meeting of foreign ministers, but ministers of defence will be in attendance and will form part of the delegations of their respective countries.

Mr. Harkness: As a supplementary question, I take it then that this is not a full ministerial meeting, and the finance ministers will not attend?

Mr. Martin: It is not intended that there will be any other ministers in attendance.

(Translation):

FINANCE

QUEBEC—REQUEST FOR LARGER SHARE OF TAXES

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, my question is directed to the Prime Minister. Could he tell us if he has received from the premier of Quebec a letter or an official document in which the latter asked that 25 per cent of personal and corporation taxes and 100 per cent of succession duties be turned over to the province?

(Text):

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, to my knowledge no such letter has been received.

(Translation):

Mr. Gregoire: A supplementary question, Mr. Speaker. Is the Prime Minister aware that an ultimatum has been presented by the province of Quebec in order to secure a larger share of those taxes within a year?

[*Later:*]

Mr. Pearson: No, Mr. Speaker, I am aware of no ultimatum from the province of Quebec on any subject.

(Translation):

[*Later:*]

Mr. Gregoire: Mr. Speaker, I would like to ask the Minister of Justice the question I put earlier to the Prime Minister. Is the Minister of Justice aware that the prime minister of the province of Quebec has given an ultimatum to the federal government concerning the distribution of the various sources of revenue and taxation?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, the answer is no.

Mr. Gregoire: A supplementary question, Mr. Speaker. Does the Minister of Justice mean that he did not read about the matter in the papers when it was discussed in the Quebec legislature?

Mr. Chevrier: Mr. Speaker, I have no explanation to give the hon. member with regard to the answer I have just given. I have replied as the Prime Minister did, and I think that is a formal answer.

On the other hand, if the hon. member is trying to find some matter for discussion, he might perhaps do so in another place and at another time, but certainly not during the question period.

[*Later:*]

Mr. Gregoire: Mr. Speaker, I have another supplementary question for the Prime Minister. Does that mean that the government feels no obligation to do anything in that respect until a letter or an official request is received?

Mr. Speaker: Order.

[*Later:*]

Mr. Gerard Chapdelaine (Sherbrooke): Mr. Speaker, I would like to put a question to the Minister of Finance. Has he been reading the newspapers of the province of Quebec since April 8?

INQUIRY AS TO DEBT FREE MONEY POLICY

Mr. Guy Marcoux (Quebec-Montmorency): I should like to direct a question to the Prime Minister. Does the Liberal party always favour the debt free money policy, as he intimated last session?

(Text):

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, in reply to my hon. friend the Liberal party, as always, is in favour of progressive and sound financial and currency policies.

CLAIMS FOR REFUND OF IMPORT SURCHARGES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I wish to direct a question to the Minister of Justice. In view of the stand taken a few months ago by a number of ministers of the present government with respect to the validity of the import surcharge order in council, what position does the government now propose to take in connection with the claims for refund being made before the Exchequer Court of Canada?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, as the hon. member knows there is one case, if not several cases, concerning these import orders now before the court. I am sure the hon. member will agree with me that it would be most improper under the circumstances for me to make any comment thereon.

Mr. Knowles: A supplementary question, Mr. Speaker. Will the Minister of Justice now table the opinion on this order in council which he, his colleagues and others of us sought to obtain a few months ago?

Mr. Chevrier: From the information which I have in my possession there is no doubt that there is no such written opinion prevalent in the Department of Justice, as we, when on the other side of the house, suspected at the time.

INQUIRY AS TO UNPEGGING OF CANADIAN DOLLAR

On the orders of the day:

Mr. Robert Simpson (Churchill): Mr. Speaker, I should like to direct a question to the Minister of Finance. In view of the innumerable erroneous statements which have been made by many of the men now occupying the treasury benches—

Some hon. Members: Question.

Mr. Simpson: —to the effect that a devaluated Canadian dollar would cause uncontrollable inflation, I should like to ask

the minister if he can advise the house when he is going to unpeg the Canadian dollar?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, as I said during the course of the election campaign, it is the responsibility of all hon. members of this house, including the hon. member who just asked this question, not to cast any doubts upon the strength or permanence of the dollar.

Some hon. Members: Oh, oh.

(Translation):

[*Later:*]

Mr. Remi Paul (Berthier-Maskinonge-Delanaudiere): I should like to direct a question to the Minister of Finance.

Can the minister inform the house about the pressure brought to bear by the American government in order to re-establish parity between the Canadian and the American dollar?

(Text):

Mr. Gordon: Mr. Speaker, I know of no such pressure.

[*Later:*]

Mr. Lawrence E. Kindt (Macleod): Mr. Speaker, may I ask the Minister of Finance, who is watching the exchange rate on the Canadian dollar, if when there is a return to par or a movement in that exchange rate, he has made plans to take care of the losses that will be sustained by exporters of grain and cattle.

Mr. Gordon: Mr. Speaker, I would like to answer that question. Canada has a fixed exchange rate, and this government will do everything possible to see that that rate is held.

Mr. Kindt: In the event that it is not held, has the government taken into consideration any plans that will overcome the losses sustained by people who are now enjoying the exchange relationships that exist?

Mr. Gordon: So far as I am concerned, Mr. Speaker, that is a hypothetical question.

(Text):

AIR TRANSPORT

ALLEGED REFUSAL OF CANADIAN NATO DELEGATION TO USE T.C.A.

On the orders of the day:

Hon. Leon Balcer (Three Rivers): I should like to direct a question to the Secretary of State for External Affairs. Why has the Canadian delegation to NATO in Paris refused to fly the Atlantic by T.C.A. to attend the NATO meeting in Ottawa next week?

Hon. Paul Martin (Secretary of State for External Affairs): I shall be glad to take this question as notice and give my hon. friend a reply on Monday.

ROYAL CANADIAN MOUNTED POLICE

SUGGESTED EXAMINATION OF SECURITY AND INTELLIGENCE BRANCH

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): I should like to direct a question to the Minister of Justice. In view of the public discussion that has taken place over the past few months, is the minister prepared to recommend to the house the setting up of a select special committee to examine the functions and activities of the security and intelligence branch of the Royal Canadian Mounted Police?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, I thank the hon. member for sending me notice of his question, although I must admit I had seen it in the press some time ago. The question of the establishment of a committee to deal with a matter such as my hon. friend has in mind is not one for the minister alone to determine. It is one for the house. So far as I am concerned, I must tell my hon. friend that at this time I am not disposed to recommend to the house the establishment of such a committee to look into the functions of the branch to which he has referred.

(Translation):

TRADE

WORLD FAIR—ACCEPTANCE OF MONTREAL SITE

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Minister of Public Works. Could he tell the house whether the site of the world's fair to be held in Montreal in 1967 has been definitely chosen and accepted by both the federal government and himself?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, in reply to the hon. member's question, I should like to say that last Sunday I sent a cablegram from Montreal to Mayor Drapeau who was then in Paris. It read as follows:

Further to our meeting of May 9 and our conversations of May 9 and 10, I am pleased to confirm the approval of the site of the 1967 world's fair as indicated in the telegram sent by the former prime minister on March 28, 1963.

Inquiries of the Ministry

(Text):

LABOUR CONDITIONS

CONTINUATION OF WINTER WORKS PROGRAM

On the orders of the day:

Mr. D. V. Pugh (Okanagan Boundary): Mr. Speaker, I wish to direct a question to the Minister of Labour. Has a decision been made to continue the winter works program during the coming winter 1963-64?

Hon. A. J. MacEachen (Minister of Labour): The matter referred to by my hon. friend is presently under consideration by the government.

[*Later:*]

Hon. Michael Starr (Ontario): Mr. Speaker, I wish to address a question to the Minister of Labour and ask him whether, in his consideration as to whether or not the municipal winter works incentive program is to be continued, he is getting any resistance from the Secretary of State for External Affairs, who used to call this program a bagatelle.

Hon. Paul Martin (Secretary of State for External Affairs): There is full co-operation in all regards.

INQUIRY AS TO LEGISLATION ON MANPOWER ADJUSTMENT

On the orders of the day:

Hon. Michael Starr (Ontario): I should like to address a question to the Minister of Labour. Does he intend to introduce this session a bill dealing with manpower adjustment as it relates to technological change and automation in industry? If so, will it be in the same form as the bill which was introduced last session, or does he contemplate any changes in it?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, the intended action on the part of the government with regard to this matter was indicated yesterday in the speech from the throne. Beyond that general intention I have no comment to make at the moment.

REPORTED LAY-OFFS AT POINT EDWARD NAVAL BASE

On the orders of the day:

Mr. Donald MacInnis (Cape Breton South): Mr. Speaker, I should like to direct a question to the Minister of National Defence. Has the minister received any representations regarding the lay-offs which started at the Point Edward naval base a couple of days after his government took office?

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, I will have to take that question as notice and advise my hon. friend as soon as I can.

REPORTED LAY-OFFS CAUSED BY STEEL STOCKPILING

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Albert): Mr. Speaker, may I direct a question to the Minister of Labour. Will the minister investigate and report on the allegations being made that certain steel companies are stockpiling steel and thus causing serious lay-offs of men in the shipbuilding industry in the maritimes?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, in so far as this matter is within the responsibility of the Department of Labour I will be glad to investigate and report to the hon. member.

CAPE BRETON HIGHLANDS NATIONAL PARK— REPORTED LAY-OFFS

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): I have a question for the Minister of Northern Affairs and National Resources. Can he advise me whether he has received any protest in regard to the indiscriminate lay-offs that have taken place at the Cape Breton Highlands national park after the election of April 8?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, I have no information on that subject. I will take the question as notice and try to give my friend some information.

(Translation):

ARTS, LETTERS AND SCIENCES

TERMS OF REFERENCE OF ROYAL COMMISSION ON BICULTURALISM

On the orders of the day:

Mr. Georges Valade (St. Mary): Mr. Speaker, I should like to put a question to the Prime Minister. Does the Prime Minister intend to extend the terms of reference of the royal commission on biculturalism to the Canadian armed forces, both in Canada and overseas?

(Text):

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the terms of reference of the proposed commission on biculturalism will be made known very shortly. I am sure the terms will be very satisfactory to my hon. friend and will cover all aspects of this very important matter.

(Translation):

Mr. Valade: A supplementary question, Mr. Speaker. Can the Prime Minister tell us whether he intends to recommend that orders be given in French and in English in the armed forces?

(Text):

Mr. Pearson: Mr. Speaker, this is a very different question from the terms of reference, dealing with the agenda for the royal commission on biculturalism.

(Translation):

[*Later:*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, as a supplementary question, I should like to ask the Prime Minister if, when this royal commission on biculturalism, may I ask the Prime Minister members will be from the province of Quebec as requested by that province?

(Text):

Mr. Pearson: Mr. Speaker, my hon. friend's curiosity in this matter will be satisfied, and I emphasize "satisfied", very shortly.

(Translation):

[*Later:*]

Mr. Gerard Girouard (Labelle): Mr. Speaker, on the subject of the royal commission on biculturalism may I ask the Prime Minister if he intends to designate an equal number of representatives for each province or rather for each of the two ethnic groups in Canada?

Mr. Speaker: That question has already been asked in the Commons today. The same question cannot be asked twice.

(Text):

HEALTH INSURANCE

INQUIRY AS TO INTRODUCTION OF LEGISLATION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. Can the hon. lady tell us whether there will be legislation at this session, or consultations with the provinces looking to legislation, with respect to medicare or health insurance for all the people of Canada?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, I am glad to inform my hon. friend that these matters are under consideration, as always, by the government.

NATIONAL DEFENCE

INQUIRY AS TO ARMS TO BE PROVIDED TO ARMED FORCES

On the orders of the day:

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I have a question for the Minister of National Defence. For the benefit of the house I would like him to define what is meant by the "modern arms weapons" that are to be made available for the Canadian armed forces?

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, the answer to this question would be extremely long and involved, and in view of the fact that a resolution will be introduced shortly to set up a special select committee on defence problems I think that would be the best time to discuss these matters in detail.

(Translation):

Mr. Gerard Chapdelaine (Sherbrooke): Mr. Speaker, I should like to address a question to the Prime Minister.

Could the Prime Minister tell us if he is aware of the fact that it will cost the Canadian taxpayers $1 billion to equip the Bomarcs with nuclear warheads?

(Text):

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I am aware of no such fact, because no such fact exists.

[*Later:*]

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I should like to direct a question to the Prime Minister and ask him whether any steps have been taken up to this date to renegotiate our nuclear defence commitments, such as he suggested last January?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the whole question of defence policy is under consideration by the government and it will soon be under consideration, I hope, by a select committee of this house.

Mr. Olson: A supplementary question, Mr. Speaker. When can we expect this committee to be set up?

Mr. Pearson: At the very earliest possible date, Mr. Speaker, the house will be given a chance to deal with this matter through a resolution.

[*Later:*]

Mr. Georges Valade (St. Mary): Mr. Speaker, I have a question for the Prime Minister. Since I know that he is quite bilingual, will he give himself the pleasure of answering me in French. My question arises from a statement made by the Minister of National Defence, when he said that parliament did not have to be consulted in order to equip our armed forces with nuclear warheads. I would ask the Prime Minister whether he shares that point of view.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the Minister of National Defence did not make the statement attributed to him by my hon. friend. However, I have already said, and the Minister of National Defence agrees with me, that this whole question of

defence policy, including nuclear weapons and weapon systems, will be before parliament for consideration at a very early date.

CHURCHILL, MAN.—INQUIRY AS TO MAINTENANCE OF U.S. AIR BASE

On the orders of the day:

Mr. Robert Simpson (Churchill): Mr. Speaker, I should like to direct a question to the Minister of National Defence. In view of the announcement yesterday that the United States air force were discontinuing their strategic air command base at Frobisher Bay, I wonder if the minister could tell the house whether a similar plan is contemplated in relation to Churchill, Manitoba.

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, I think I had better take this question as notice and reply at the beginning of next week.

THE MINISTRY

REQUEST FOR DESIGNATION OF SENIOR AND JUNIOR MINISTERS OF AGRICULTURE

On the orders of the day:

Mr. G. D. Clancy (Yorkton): Mr. Speaker, I should like to ask the Prime Minister a question. Will he designate who are the senior and junior ministers of agriculture, just to clear up confusion when we ask questions in the future; and can he say by whom questions are going to be answered?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the hon. gentleman ought to know that there is only one Minister of Agriculture at the present time.

An hon. Member: It had better remain that way.

VETERANS AFFAIRS

INQUIRY AS TO ADMINISTRATION OF HOSPITALS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Minister of Veterans Affairs to allay the fears of many veterans and provide him with a first opportunity to wet his ministerial feet. Is it the intention of the present government to continue the policy of the former government with respect to continuing the administration of veterans hospitals within the Department of Veterans Affairs?

Hon. Roger Teillet (Minister of Veterans Affairs): Mr. Speaker, for the present moment, yes.

[Mr. Pearson.]

[*Later:*]

Mr. George L. Chatterton (Esquimalt-Saanich): Mr. Speaker, I should like to direct a question to the Minister of Veterans Affairs. In an earlier reply I understood the minister to say that he is not contemplating a change at present in the operation of the veterans hospitals by the Department of Veterans Affairs. Can the minister say whether the government is contemplating a change in this relationship some time in the future?

Mr. Teillet: Mr. Speaker, this matter is under investigation and consideration. I just had a very brief opportunity to look into the question. A departmental group is at work. However, I do not wish to give here the kind of reply which will disturb the veterans in the hospitals and the staff. I wish to give assurance that, as always in this department, the interests of the veterans and of the staff in the hospitals will be safeguarded.

PENSIONS COMMISSION—INQUIRY AS TO FILLING OF VACANCIES

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I have a question for the Minister of Veterans Affairs. I should like to ask him whether he has filled the two vacancies on the pensions commission which were existing when the government took office on April 22.

Hon. Roger Teillet (Minister of Veterans Affairs): To my knowledge there were no vacancies on the commission at that time.

Mr. Churchill: That is hardly an answer which can be accepted by the house. It is within the knowledge of the public generally that there were two vacancies.

I should like to ask a supplementary question. In view of the fact that the Minister of Veterans Affairs misled the public by his statement on May 2—

Mr. Speaker: Order. May I point out to the hon. member that a question should not be preceded by a statement of that kind. If he would give us his supplementary question perhaps we could get to the point quickly.

Mr. Churchill: In view of the fact that there were two vacancies on the pensions commission when the government took office on April 22, I should like to ask the minister why he found it necessary, as he stated, to create a vacancy when those two were in existence; and will he immediately correct the imbalance on the pensions commission and reinstate Mr. McKay so that representation may be restored for first world war veterans and for western Canada?

Mr. Teillet: I have given the hon. gentleman a complete and truthful answer in writing to this question.

TRANSPORT

WINNIPEG-SASKATOON—PROPOSED DISCONTINUANCE OF TRAIN SERVICE

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for the Prime Minister or the Minister of Transport. Have representations been received from anyone in connection with the proposed discontinuance of trains Nos. 9 and 10 from Winnipeg to Saskatoon, and what is the government's intention in this case?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, surely this is a question that should go on the order paper, as my hon. friends well understand.

Mr. Korchinski: Mr. Speaker, this is a question of urgency. These trains will be discontinued tomorrow, and there was not time to get a question on the order paper.

Mr. Speaker: Could I suggest to the hon. gentleman that this question be put on the order paper for tomorrow, or that he get into communication with the minister concerned.

Mr. Korchinski: Mr. Speaker, the trains will be discontinued tomorrow. Unless some decision is made in this regard, I am afraid after that this matter will not have any urgency.

Mr. Pearson: Mr. Speaker, in the circumstances we will look into this matter at once, this afternoon.

NATIONAL PARKS

GARIBALDI PARK, B.C.—REQUEST FOR INFORMATION AS TO DEVELOPMENT

On the orders of the day:

Mr. Arnold Webster (Vancouver-Kingsway): Mr. Speaker, I have a question for the Minister of Northern Affairs and National Resources. In view of the fact that recent comments regarding the early development of Garibaldi park have been made by responsible members of both this house and the legislature of British Columbia, will the minister inform us whether any definite negotiations are proceeding between the two governments at the present time and, if so, what specific offers have been made to develop this recreational area as a national park?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, first I want to thank the hon. member for his courtesy in supplying me with notice of this question. The question with regard to Garibaldi provincial park becoming a national park was first raised in January, 1954 by Hon. Jean Lesage, who made the comment that he would welcome an invitation from the province of British Columbia with a view to transferring it to the national parks system. This was not forthcoming.

Later on, in 1958, Hon. Alvin Hamilton renewed the offer in a letter to the minister of recreation for the province of British Columbia, to which no answer was received. Last December 3 my immediate predecessor, in reply to a question from the hon. member for Burnaby-Coquitlam, said that the offer still held good.

There are no definite negotiations under way at the present time, but as I have had occasion to announce recently, we would welcome such an invitation from the province of British Columbia and will do everything in our power to bring this area of fantastic splendour into the national parks system of Canada.

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): I should like to ask the Prime Minister a non-contentious question. In view of the minority government situation in this house has the right hon. gentleman given any consideration to following his own suggestion of last March that in such circumstances his party and the Conservatives should get together under new leadership.

Right Hon. L. B. Pearson (Prime Minister): In reply to the hon. gentleman I may say that the people of Canada settled this problem a few weeks ago.

Mr. Fisher: Not very decisively.

(Translation):

[*Later:*]

Hon. Leon Balcer (Three Rivers): Mr. Speaker, I should like to direct a question to the Prime Minister. Would the Prime Minister have any comments to make on the suggestion made by the Quebec minister of municipal affairs, Mr. Laporte, that one way of stopping separatism in the province of Quebec would be to make of Canada a federation of ten independent states?

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, I should like to direct a question to the Minister of Justice.

Inquiries of the Ministry

Do the parliamentary privileges of a member give him the right to request another member's resignation?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, it is not one of the prerogatives of the Minister of Justice to give a legal opinion. I think that the hon. member should consult his lawyer.

On the orders of the day:

Mr. Real Caouette (Villeneuve): Mr. Speaker, I would like to put a question to the Postmaster General who has just said that he has no advice to take from the Social Credit. Could he now tell us for example if the government is taking advice from American interests?

POST OFFICE DEPARTMENT

MONTREAL—STEPS TAKEN FOLLOWING MAIL BOX EXPLOSIONS

On the orders of the day:

Mr. Remi Paul (Berthier-Maskinonge-Delanaudiere): My question is directed to the Postmaster General (Mr. Denis), but first, since he is a native of my riding, I should like to congratulate him upon his appointment.

Could the minister tell us what steps his department intends to take about the explosions in Montreal, yesterday and today, which have damaged five mail boxes, property of the Post Office Department.

Hon. Azellus Denis (Postmaster General): I wish to thank my hon. friend for his congratulations. Indeed, five mail boxes were destroyed by bomb explosions. Also, this morning, four more mail boxes had to be covered with sand to prevent any accident.

Sergeant-major Walter Leja defused the first two bombs, but was unfortunately killed while trying to defuse the third one.

I wish to take this opportunity to offer my deepest sympathies to his family.

Now, in the face of this danger, we have decided to use trailers to remove these mail boxes and transport them to a safe place. We have taken this course of action after having received phone calls and after having been warned by those who are clearing letter boxes that they contained bombs. We have decided to take this action and we shall have to continue to do so. I believe that after 12 hours the danger will have disappeared. We have notified the municipal police authorities who are searching for the offenders, while setting up a special watch. I am waiting for more news from Montreal on this matter.

[Mr. Marcoux.]

INQUIRY AS TO SALARY INCREASES FOR EMPLOYEES

Mr. Georges Valade (St. Mary): Mr. Speaker, I wish to direct a question to the Postmaster General. Since the 60-day period for the great Liberal achievements is drawing to a close and before my hon. friend becomes a member of the Senate, I would like to ask him if he intends to raise the salaries of the post office employees, which he so often advocated when he was a member of the opposition?

Hon. Azellus Denis (Postmaster General): Mr. Speaker, in answer to the hon. member for St. Mary, who gives way as usual to his fancies, he is surely aware of the fact that the matter of salaries is a responsibility of the civil service commission. A survey has been made and, unless I am mistaken, the results are being studied at present by the treasury board. Accordingly, the announcement of the increases will be made in due time.

Mr. Valade: A supplementary question, Mr. Speaker. Does the Postmaster General mean by this that he does not intend to raise the salaries of the post office employees?

Mr. Denis: Mr. Speaker, I will say again that as soon as the report on the question is published, the hon. member will find the information he desires.

[*Later:*]

ALLEGED CONTINUATION OF PATRONAGE IN DEPARTMENT

Mr. Gerard Chapdelaine (Sherbrooke): Mr. Speaker, I should like to put a question to the Postmaster General. Does the minister intend to maintain in his department the patronage which existed under the Conservative government, as well as under the previous Liberal administration, in the award of contracts for the conveyance and delivery of mail?

Hon. Azellus Denis (Postmaster General): Mr. Speaker, since we came to power only a few weeks ago, I do not feel we are responsible for everything that was done in the past under the Conservative government. But, at any rate, I do not think the Liberal party has any lesson to be taught, especially from the Social Credit party.

Mr. Chapdelaine: A supplementary question, Mr. Speaker. Is the minister suggesting that the Social Credit party could give some advice concerning departmental administration?

Mr. Speaker: The hon. member's question is out of order.

POSTAL SERVICE

INQUIRY AS TO TWO DAILY MAIL DELIVERIES

Mr. Theogene Ricard (St. Hyacinthe-Bagot): Mr. Speaker, I should like to direct a question to the Postmaster General. Could the minister tell us if he intends to re-establish two mail deliveries a day as he so often requested from his two predecessors?

Hon. Azellus Denis (Postmaster General): Mr. Speaker, contrary to the statement just made by the hon. member for St. Hyacinthe-Bagot, I must say that I never promised that mail would be delivered twice a day. I simply reminded the house that the former postmaster general, the Hon. William Hamilton, had made such a promise without keeping it.

LOTTERIES

INQUIRY AS TO AMENDMENT OF CRIMINAL CODE

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, my question is directed to the Minister of Justice. Could the minister advise the house whether he intends to propose an amendment to the Criminal Code in order to allow provinces to organize lotteries if they wish to, as has been requested by Mr. Lesage on behalf of the province of Quebec?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, the hon. member has just asked a question which calls for a very complex answer.

When I came to the department, I learned that they had quite a file on this. In due time I intend to study those documents in order to see what should be done. I cannot elaborate further on this matter today.

[*Later:*]

Mr. Georges Valade (St. Mary): Is the Minister of Justice aware of the fact that some hon. members from the province of Quebec have promised that if the Liberals were elected, a Liberal government would establish lotteries?

Mr. Chevrier: Mr. Speaker, under the circumstances, I do not think I could add anything to the answer I have already given. I would have to get more information on the matter.

(Text):

SUGAR

REQUEST FOR INQUIRY INTO PRICE INCREASE

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question which I believe should be addressed to the Minister of Justice, but if it should not I am sure he will correct me and redirect it. Can the minister assure the house that the government is taking appropriate measures to study, and if possible to check, the very marked and continuing increase in the price of sugar in Canada?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, I did anticipate this question. The reply is that a study is now proceeding by the director of research in the combines investigation branch of the department. I am informed, however, in a preliminary manner that the question of the increase in the price of sugar in so far as refined sugar is concerned is due in large part to the increase in the price of raw sugar caused, first, by the shortage of crops, and also by the fact that there has been a loss of crops in certain parts of the world from which Canada imports. I am also informed that the increase in the price of refined sugar is proportionate to the increase in the world price of raw sugar. However, when I have a more detailed report I shall be glad to communicate it to the house.

[*Later:*]

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I should like to address a question to the Minister of Justice which is related to the question asked earlier by the hon. member for New Westminster. I wonder whether the minister, in the investigation which he said he would make, would seek information and inform the house as to why sugar prices appear to be advancing drastically in Canada vis-à-vis much lower prices across the line in the United States?

Mr. Chevrier: Mr. Speaker, I tried to indicate in my earlier reply that the information I had was that that was not entirely the case. However, I did add that an investigation was being made by the director of the combines investigations branch, and I will take notice of my hon. friend's question to see if any additional information can be given in that respect.

[*Later:*]

Mr. Harold W. Danforth (Kent, Ont.): Mr. Speaker, may I direct a question to the Minister of Agriculture. In view of the drastic increase in the price of sugar in recent months, is the government now prepared to

take measures to financially encourage the production of sugar beets in Canada and the increase of our own domestic supply?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, these matters are all under consideration. I might say that the price of sugar on the world market a year ago I believe was $2.70 per hundred pounds, and it has now risen to over $13 per hundred pounds. There is a serious shortage of sugar throughout the world. We have all these things under consideration, and I am sure we will have a satisfactory answer for the hon. member.

UNITED NATIONS

INQUIRY AS TO REPLACEMENT OF CANADIAN DELEGATE

On the orders of the day:

Mr. Gordon H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Would the minister advise the house whether Brigadier J. H. Price has been replaced as Canadian delegate on the fifth committee of the United Nations and, if so, why?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I regret to say that Brigadier Price has not accepted an invitation to act as a member of the Canadian delegation at the special assembly of the United Nations which opened on May 14 last.

POWER

COLUMBIA RIVER—INQUIRY AS TO RENEGOTIATION OF TREATY

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Prime Minister. Could the Prime Minister inform the house when he expects to commence discussions with the premier of British Columbia relating to the renegotiation of the Columbia treaty?

Right Hon. L. B. Pearson (Prime Minister): Very shortly indeed, I hope, Mr. Speaker.

[*Later:*]

Mr. D. V. Pugh (Okanagan Boundary): I should like to direct a question to the Prime Minister with regard to the Columbia river treaty. Has any definite date been set for discussions with the premier of the province of British Columbia?

Mr. Pearson: No, Mr. Speaker, not yet.

Mr. Pugh: May I ask a supplementary question. Are you, sir, in correspondence with the premier so that date may be set?

Mr. Pearson: Mr. Speaker, the premier of British Columbia knows our desire to get ahead with this matter as quickly as possible. There are certain preliminary questions to be studied with the United States before discussions with the premier of British Columbia would be constructive. It is these preliminary questions which are at the present time being cleared with Washington so that we may present to the province of British Columbia, with the complete knowledge of the United States, changes that are considered desirable by this government.

Mr. Pugh: Has the subject of the discussions with the United States been put to the premier of British Columbia as yet?

Mr. Pearson: Those matters are going to be discussed with the premier of British Columbia, who, only the other day, said he was well aware of the attitude of this government toward this matter.

[*Later:*]

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Prime Minister. In the event that changes are to be made in the Columbia river treaty may the house have the assurance of the Prime Minister that the treaty and any changes which are contemplated or advised will be referred to the external affairs committee of the house?

Mr. Pearson: Mr. Speaker, it is the intention of the government to refer this matter as soon as possible to the external affairs committee of the house.

(Translation):

ADMINISTRATION OF JUSTICE

QUEBEC—PARTICIPATION OF R.C.M.P. IN INVESTIGATIONS

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I have a question for the Minister of Justice (Mr. Chevrier). Could the minister tell the house whether the R.C.M.P. is involved in the investigations currently being carried out on the activities of the F.L.Q. in the province of Quebec?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, as the hon. member knows, according to our constitution the administration of justice comes under exclusive provincial and municipal jurisdiction and under the penal code it is the responsibility of the provincial and municipal authorities to carry out the necessary investigations and to make the necessary indictments.

Under the circumstances, I do not see any reason for changing this procedure.

Mr. Gregoire: A supplementary question, Mr. Speaker. When there are troubles in the federal parks, is the R.C.M.P. supposed to

deal with the matter as was the case when nthe Wolfe monument was toppled on the plains of Abraham?

Mr. Chevrier: I believe the situation to be about the same, except when the municipal and the provincial authorities ask the R.C.M.P. to step in. In such a case the circumstances are different, but I do not know what is the situation about the F.L.Q.

I believe the mounted police offered their services to the provincial and municipal police forces.

(Text):

GRAIN

WHEAT—INTRODUCTION OF TWO PRICE SYSTEM

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Is it the intention of the government to bring down early in this session legislation to provide a two price system for wheat with a guaranteed price of $2 per bushel to the wheat growers, as was promised by the Prime Minister during the election campaign?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, we should like to take that question as notice.

PUBLIC SERVICE

LEGISLATION TO PROVIDE FOR COLLECTIVE BARGAINING

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. Can he say whether there will be at an early date legislation providing for collective bargaining in the public service?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I cannot say when legislation will be brought down. However, this is a matter to which this government is committed.

(Translation):

[*Later:*]

GLASSCO COMMISSION IMPLEMENTATION OF MINORITY REPORT RECOMMENDATIONS

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Minister without Portfolio, the hon. member for Outremont. Could he tell the house whether he intends fully to implement the recommendations of the Therrien minority report of the Glassco commission?

Hon. Maurice Lamontagne (President of the Privy Council): Mr. Speaker, that question is under consideration. During the next few weeks we will be in a position to announce the intentions of the government.

Mr. Georges Valade (St. Mary): A supplementary question, Mr. Speaker. The hon. member for Joliette-L'Assomption-Montcalm has certainly asked the hon. member for Outremont-St. Jean a very definite question that is, whether the minister intends to—

Some hon. Members: Order.

Mr. Valade: —and the minister—

(Text):

Mr. Speaker: Order. I do not think it is within the competence of any hon. member to pursue this matter much further. The minister did his best to answer in a very short space of time. In due course I am sure government policy will be announced.

AGRICULTURE

DAIRY PRODUCTS—INQUIRY AS TO CALLING OF CONFERENCE

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Has the minister as yet had an opportunity to continue discussions with his colleagues the ministers of agriculture in Ontario and Quebec with respect to the various problems affecting the dairy industry, and also of discussing these matters with the heads of the dairy organizations? If he has not had an opportunity to do so, does he intend to arrange in the immediate future such a conference as that which has taken place in the past?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, before we dealt with the present policy, which has been widely publicized, I called in the dairy council and also the dairy farmers of Canada from coast to coast, and we discussed the policy with them. We had only two or three days to take care of this policy because, as you know, on May 1 it would have become effective on 80 per cent of the 10 year average if we had not done something in a hurry. This matter should have been taken care of long ago. Nevertheless we had to come up with something fairly quickly in order to protect the dairy farmers and the dairy industry of Canada, and this is the program which has been publicized. We were careful to seek the advice of all people interested in the dairy industry before we announced the policy which is now in effect.

[*Later:*]

Mr. Nesbitt: I should like to direct a question to the Minister of Agriculture. Has the minister as yet had an opportunity to arrange for reopening discussions with the ministers of agriculture for Ontario, and Quebec, as well as with the heads of dairy organizations, with a view to arriving at some solution of the dairy industry's problems? I refer particularly to the question of the pooling of milk.

Mr. Hays: We have not as yet, Mr. Speaker, had an opportunity to arrange for these discussions.

INQUIRY AS TO CONTINUATION OF ACREAGE PAYMENTS

On the orders of the day:

Mr. Lawrence E. Kindt (Macleod): Mr. Speaker, may I ask the Minister of Agriculture whether he has had time yet to give consideration to the making of the usual acreage payments to western farmers, which they are expecting?

Hon. Harry W. Hays (Minister of Agriculture): No, we have not, Mr. Speaker.

Mr. Kindt: A supplementary question. In view of the fact that the minister has not yet had time, and I take his word for that, is it his intention to do so?

Mr. Hays: Mr. Speaker, we are going to take a look at all agricultural policies as one relates to the other. The agricultural policy of the former government and our agricultural policy differ somewhat, but we are taking a long look at the situation with a view to doing the very best we can for agriculture from coast to coast.

Mr. G. D. Clancy (Yorkton): If the minister is not prepared to make acreage payments, has he considered paying $3 a bushel for the new crop year?

FISHERIES

NORTH PACIFIC COMMISSION—EXTENSION OF JAPANESE FISHING RIGHTS

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question I should like to direct to the Minister of Fisheries. Can the minister advise the house whether, in implementing the contentious recommendation of the north Pacific fisheries commission extending fishing rights to Japan, he incurred much opposition from his British Columbia colleagues in the cabinet, who opposed such a move a few months ago unless the matter was first referred to the standing committee on marine and fisheries?

Hon. H. J. Robichaud (Minister of Fisheries): Mr. Speaker, in reply to the hon. member I wish to say that when the decision was taken by the government, on a matter which should have been decided months ago, it was taken by all members of the government.

Mr. T. C. Douglas (Burnaby-Coquitlam): A supplementary question, Mr. Speaker. May I ask the minister if his department sought a legal opinion as to whether this alteration in the treaty could be made by executive order?

Mr. Robichaud: Mr. Speaker, all information required before taking such a decision was obtained by the government.

BROADCASTING

REQUEST FOR MEETING OF HEADS OF ORGANIZATIONS

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to ask the Secretary of State in one of his roles, this time as house oracle for the broadcasting system in Canada, whether he did announce a decision that the heads of the board of broadcast governors, the Canadian Broadcasting Corporation and the Canadian association of broadcasters were to get together in order to determine what is wrong or what is inadequate with respect to the broadcasting legislation; and if he did will he give us more information as to his purpose?

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, I did not give any directions to anyone in this matter, as I would have no constitutional right to do so. I did make a request to the heads of the B.B.G. and the C.B.C. and the chairman of the Canadian association of broadcasters. I made the request to them severally and then made it publicly jointly, that they should meet together as individuals to try to make a brief report on the points of broadcasting policy on which they were in agreement and those points on which they differed, and to indicate the differences as clearly as possible. I thought this would be helpful to the whole of the Canadian public though, of course, we recognize that the paramount interest in broadcasting is in none of these three organizations but in the public itself.

It seemed to me, however, that before embarking on any changes it would be desirable to learn from the people most closely associated with broadcasting just how much agreement there was among them and the points on which they really differed. I read a written statement at a meeting, and I would

be very glad to make a copy of that statement available to any hon. member who would like to see it.

Mr. Fisher: I should like to ask the minister whether this unofficial inquiry that he has suggested should get under way is likely to be preliminary to a general broadcasting inquiry such as we have had in the past, the Fowler inquiry, or to a parliamentary inquiry by a house committee.

Mr. Pickersgill: Mr. Speaker, in the brief time this government has been in office there has not been an opportunity for the cabinet to give consideration to the question of whether or not there should be an inquiry. Until that is done I have nothing to say on the subject.

Hon. Michael Starr (Ontario): I should like to address a supplementary question to the Secretary of State. He has spoken about roles. Is it true that the Secretary of State is having difficulty in changing his personality from that of Jack the Ripper to jolly Jack?

Mr. Pickersgill: Mr. Speaker, I doubt whether the personality of any hon. member is a proper subject for inquiry in this chamber.

HEALTH AND WELFARE

REQUEST FOR U.S. REPORT ON DANGER FROM PESTICIDES

On the orders of the day:

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, I have a question for the minister of national health, welfare and truth.

Some hon. Members: Oh, oh.

Mr. Fairweather: Has the minister received a copy of the report that was made yesterday or the day before to President Kennedy by his science advisory committee concerning the threat to life and health resulting from the overuse of pesticides? If so, will the minister see that the members of the house are supplied with a copy of that report? Are changes contemplated in the controls related to the use of pesticides?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): I wish to thank the hon. member for the appellation by which he addressed me. I was not aware that there had been a change in the name of my department. However, I am glad, as a member of this government, to be known as a seeker after truth. I am sure the Canadian people will find this a refreshing change after the past few years.

In answer to my hon. friend's query, I should like to thank him for the notice which he gave me a few moments ago, and advise him that the answer is no.

THE BUDGET

INQUIRY AS TO PROBABLE DATE OF PRESENTATION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, can the Minister of Finance tell the house on what date he plans to bring down his budget?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I have every expectation that a budget will be brought down within 60 days of April 22.

(Translation):

CANADIAN FLAG

INQUIRY AS TO ADOPTION OF NATIONAL FLAG

On the orders of the day:

Mr. Georges Valade (St. Mary): Mr. Speaker, I have a question for the Prime Minister.

Does the Prime Minister intend to submit to the House of Commons—as he promised to do during his election campaign—a bill for the adoption of a distinctive national flag for Canada?

(Text):

Right Hon. L. B. Pearson (Prime Minister): Yes, that is a commitment of this government to be discharged within two years of the taking of office.

(Translation):

[*Later:*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): I should like to direct an additional question to the Prime Minister. Will he entrust the hon. member for Bonavista-Twillingate with that choice?

(Text):

SPEECH FROM THE THRONE

ADDRESS IN REPLY MOVED BY MISS PAULINE JEWETT AND SECONDED BY MR. AUGUSTE CHOQUETTE

The house proceeded to the consideration of the speech delivered by His Excellency the Administrator at the opening of the session.

Miss Pauline Jewett (Northumberland): Mr. Speaker, I have just received a very warm and very enthusiastic greeting and I am grateful for it. May I say first of all, I am sure on behalf of everyone here, that we were sorry His Excellency the Governor General was not able to deliver the speech from the throne yesterday and we join with the administrator in wishing him a speedy and full return to good health. Also at the outset, Mr. Speaker, I hope it is safe for me to assume that hon. members opposite have now used up their stock of questions for this session.

I should like to congratulate you, sir, upon your election to the distinguished office you

now hold, an office which you, in turn, will I know make even more distinguished. I should also like to congratulate the other new officers of the house, the chairman of committees who is also deputy speaker, and the deputy chairman of committees on their appointments.

Further, and I hope again on behalf of everyone, I must not forget to say a word of good wishes to the leader of the Social Credit party who, I believe, is celebrating his birthday today.

To the new cabinet ministers and parliamentary secretaries, and especially to the new Prime Minister of Canada (Mr. Pearson), may I offer my warmest, most sincere congratulations.

Finally, to all hon. members of the house who like me are new to it, may I assure them that I will be rooting for them when they, too, go into orbit.

Mr. Speaker, I should like to thank the Prime Minister for the honour he has done the constituency of Northumberland in asking me, its representative, to move the address in reply to the speech from the throne. Of course, if I may say so, Northumberland is entirely worthy of this honour. In fact I have felt that it was in a class by itself ever since I first visited it as a small child many summers ago; and now that I am one of its residents, indeed since April 8 of this year its representative, I am even more acutely aware of its many virtues.

For one thing, Mr. Speaker, Northumberland has as great natural beauty as I think you will find anywhere in Canada—lovely lakes, hills, streams and woods—and I assure you it has a thoroughly delightful climate at all seasons of the year. My only wonder is that half the population of Canada has not taken up residence there. Then too, where man has added, he has added well—in the usual transportation facilities, harbours, highways, railways and waterways. In excellent farms of great variety producing dairy cattle, beef, pigs, sheep, tobacco and fruits, particularly apples, and vegetables. In attractive villages and towns with many delightful and historic buildings and great diversity of industry ranging from furniture, plastics and jello manufacturing, cloth, leather goods and rifle production, to cheese factories, canneries and many more.

Above all its people, its main asset, I have always found to be warm and friendly, intelligent and co-operative, and I have found this even when I lost last year as much as when I was successful in this year's election campaign.

As I have said, the only thing that leaves me with any wonder is that many, many others do not join us there. Perhaps one of the main reasons they do not, and indeed why the population has not increased very rapidly latterly is because there is quite a degree of distress in the constituency. In this, of course, it is not unique. It is like many other parts of Canada. There is a great deal of unemployment and the people who are out of work are out of work not necessarily because of seasonal factors but rather because there is basic, or what we call nowadays, structural unemployment, and they cannot get work at any time of the year. Even those who are employed one finds frequently are living at or close to the margin of subsistence.

Industry has not been developing very rapidly. Indeed in my own county some industries, particularly in canning, have been closed down. Harbours have not been developed very speedily and farmers somehow have not yet been able to be assured of prices that will always enable them to cover their continually increasing costs. These are things we know exist in Northumberland and everywhere in Canada today.

People talk about the affluent society we have. It is quite possible there are a few members of our society who are genuinely affluent; but with very large numbers, I should think close to a third, this is certainly not the case. Many of them live in conditions that should not be tolerated by any decent, thoughtful society, nor is this necessarily the fault of the individuals concerned.

We still hear people talking about the good old days of self reliant individualism when all an individual had to do was to get up and go. It is always very pleasant to wish we could return to those days; but the fact of the matter is, and we could see this if sometimes we were not blind, that we have moved from an individualist society to a collectivist society, a society where it is very difficult for a great many of us to make the decisions that affect our own destinies. These decisions are increasingly taken by others on our behalf, particularly by large organizations which exist throughout our whole economy. These decisions are simply beyond our control. When we are unemployed or in distress it is extremely difficult for us nowadays to do a very great deal about it ourselves on our own initiative.

This brings me, Mr. Speaker, to the main burden of my remarks, namely, a discussion of the philosophy, the leadership, the program and policies of the party that now forms the government of this country. It seems to me that the Liberal party, more than any other party in Canada, is aware of the kinds of change in our society that I have been discussing. Indeed, there is a sentence in the third paragraph of the speech from the throne which reads, "Familiar ways of thought and

action are becoming less certain guides". I think the party, or most members within the party at any rate, are prepared to accept this growth toward a collectivist society that we have witnessed and furthermore—and this is even more important—are prepared to accept the argument that such a society can simply not be self-regulating, that such a society does require direction and guidance from the main institutions that the people have to help them, namely governments at all levels, municipal, provincial and federal.

It is through these institutions of government—and of course we here are concerned primarily with the institutions at the federal level—that we can hope somehow to achieve the ultimate end which I am sure we all have, namely the enlargement of the human spirit, the enlargement of the dignity and the equality of all individuals. Mr. Speaker, I do feel—and I trust I am right—that this party, traditionally and today a party of reform, does move forward in this direction with a greater sense of purpose and a greater sense of urgency than one is likely to find elsewhere, and therefore, having no central myth of either unregulated free enterprise on the one hand or all-inclusive socialism on the other, but having only a belief in the necessity of our institutions of government helping all of us and doing for us what we cannot do for ourselves, having only the belief that we must adapt as times change, is more likely to adapt itself to these changing times. I believe this is why we are on this side of the house today.

Another important ingredient in any political party in any democratic society, quite apart from its philosophy, outlook or set of attitudes, is of course its leadership. In the past, oddly enough, democratic theories did not pay much attention to leadership; it was just assumed, I suppose, that somehow it would grow up. But we have realized, particularly since the 1920's and 1930's of the present century, how important leadership is, not only in the attaining of power but also in the exercise of that power. Sometimes different qualities are required for the exercising than are required for the attaining. We are principally concerned with the kinds of qualities that are required for the exercising of authority. Here again—and I hope I shall not be accused of being too partisan—I do feel, and feel very strongly, that in this party we have in our leader, the new Prime Minister of Canada, the kinds of qualities of leadership that we need today. He is himself a man with purpose, a man who has a sense of direction. Perhaps a sense of purpose, a sense of direction, is as important as anything else. It is particularly important when we are going to have to break so many new fields of endeavour, when we are going to have to cast off old habits and ways of doing things in this country.

Our Prime Minister himself wants to and will pursue policies which will, I believe, enable us to live a better and fuller life. He is able, because he has courage, integrity, decisiveness and a facility for getting along with people both at home and abroad, to work with others and accommodate their needs and wishes without losing his own sense of direction, and then to carry out the decisions that are jointly reached. He is able to consult with others about the problems of today, to adapt to their needs and then finally to carry through the many tasks that must be carried out. I believe, Mr. Speaker, we are very fortunate in having as the Prime Minister the kind of man who is able to do these things.

An attitude or outlook, a particular kind of leadership, are all-important, but of course they must have with them a program or set of policies that will make the philosophy meaningful and will make the leadership even more purposeful.

This brings me to the speech from the throne, Mr. Speaker, which I am sure all hon. members have now read and which I am sure they will agree with me does present in precise, eminently readable prose, the kinds of things that we feel are urgently needed to be done in the first session of this twenty sixth parliament. Naturally, great emphasis is placed upon those parts of our program which are, we hope, going to bring Canada out of the economic doldrums, which are going to reduce unemployment, create greater opportunities for employment and improve the standard of living of all Canadians. These measures are several in number. They include, as I am sure all hon. members now know, the establishment of a department of industry and within it an area development agency, amendments to the Atlantic development board to strengthen it and give it capital funds, the establishment of a Canada development corporation, of an economic council for Canada, a second minister of agriculture to look after our needs in all parts of the country, and closely allied to this, the provision for greater assistance for technical training and for the establishment of a contributory pension plan.

I think we should make it clear that these measures are not simply a sort of potpourri of the kinds of things we thought might be meaningful to a particular group of voters here or a particular group of voters there. These measures are part of an integrated whole, designed to restore and promote our

society's economic health and social well-being. There are more measures than I have outlined; there are more measures, indeed, than are outlined in the speech from the throne that will be brought into this integrated whole. Taken all together they are what we hope to do to provide for fuller employment, to encourage the expansion of industry, to help the municipalities to provide needed services, to develop a greater degree of social security for all Canadians, to encourage the investment by Canadians of their savings in Canadian enterprise, to provide for a more stable and prosperous agriculture. These are things we are hoping to do through these measures.

There are other things which I am sure hon. members would like to see us do right away. There are other things I should like to see us do right away. But one can only accomplish a certain number of tasks in a given period of time. Sometimes I think it would perhaps be possible to try to do everything at once and carry out a crash program on every front, but this is not always possible. My own feeling is that in the domestic program we have presented, in the measures I have just been discussing, we have done about as much as is feasible, at least within these first 60 days.

I am particularly pleased that we have emphasized, as indeed the Liberal party has always emphasized, the fundamentally bicultural character of Canada. What we hope to do is to promote and develop this bicultural character of our country. I should like to have seen still greater emphasis on cultural developments generally in Canada. This is one of the things we are concerned about; it is one of the subjects about which we shall have more to say in the near future.

I am still concerned about the state of public health in this country. I do not see how anyone can run for parliament and not be concerned about it. This, too, is a subject with which we shall be dealing as soon as we possibly can. We have taken a big bite, initially, in attempting to restore economic health and social well-being in the measures which we have proposed and which I have been briefly discussing.

Since the kind of measures which will be necessary in this country from now on must inevitably increase the role of government and lead to a greater degree of government regulation and intervention, may I say how glad I am to see toward the end of the speech from the throne a provision for the establishment of a committee on procedure over which you, sir, will be presiding. Certainly, as the positive state becomes more positive and as we move further and further into the era of government regulation, as I suggest we must do in the collectivist society in which we are living, it becomes essential that we should devise the means whereby we can control executive action through this house—a means whereby we ourselves can understand what is going on and make useful contributions, as well as of seeing that what is being done at the administrative level is being done justly and fairly. I expect it will be the function of this committee to look into these matters, as well as, I hope, revamping the whole committee system of this house, realigning its tasks in such a way as to bring its work more closely in line with the various responsibilities of government. Perhaps after that, in order to ensure the greatest degree of fairness and justice in the administration of complex public policy, we might give consideration to the question of reforms in administrative procedure. It might even be possible to introduce an administrative procedure act. This, I believe, is essential if we are going to pursue the kind of policies which we in this party feel are necessary for Canada.

We must also, of course, remember that we in Canada are not living in isolation, alone in the world. We must always bear in mind that the policies which others are pursuing have a direct bearing on what we do here. I am particularly pleased, therefore, to see the reference in the speech from the throne to what we in this party and in this government hope to do to associate ourselves as closely as we can with developments in other countries and to help to guide the changing relationships between countries in the rest of the world. This will involve changes in trading patterns—changes we have already been hearing about. It will involve us intimately in defence arrangements, as has been the case in the last several years. It will involve us even more than in the past in the activities of the United Nations. It will involve us in efforts to reach some form of disarmament agreement with the other countries of the world. So we must realize that what we do here is but one aspect of what must be done everywhere in the mid-twentieth century, if society as a whole is to advance.

One other point. It is not only the western world which is undergoing change. It is not only the countries of Asia and Africa, even, which are undergoing change. We should also bear in mind that central and eastern Europe, too, are undergoing change—that the whole system of international communism is undergoing change. Indeed, the tendency toward the bipolarization of power which we have known since the second world war may be undergoing change. I hope we may encourage our trading, cultural and other relationships

with some of these countries in the communist world. I hope we may do this, because it is in this way more than any other, possibly, that we can be sure of peace. There are tendencies toward incipient pluralism in international communism and this, I think, is something of which we should take advantage. The best way to do it is by expanding our trade and cultural contacts with the rest of the world, and not simply with the western world. This may also lead—and I believe it should lead—to diplomatic recognition being given where it is not now extended.

I am particularly pleased that our attitude toward the international scene as well as toward the domestic is one of purpose, indeed one of urgency; and I feel that with this party forming the government of Canada we shall be able to fulfil this sense of purpose and this sense of urgency, both at home and abroad.

I should therefore like to move, seconded by my hon. friend from Lotbiniere (Mr. Choquette):

That the following address be presented to His Excellency the Governor General of Canada:

To His Excellency Major General the Right Honourable Georges P. Vanier, Companion of the Distinguished Service Order, upon whom has been conferred the Military Cross and the Canadian Forces' Decoration, Governor General and Commander-in-Chief of Canada.

May it please Your Excellency:

We, Her Majesty's most loyal and dutiful subjects, the House of Commons of Canada, in parliament assembled, beg leave to offer our humble thanks to Your Excellency for the gracious speech which His Excellency the Administrator has addressed to both Houses of Parliament.

(Translation):

Mr. Auguste Choquette (Lotbiniere): Mr. Speaker, before saying anything about the emotion I feel in speaking in this chamber, I wish to offer to Her Majesty's representative my best wishes for a full and speedy recovery.

Mr. Speaker, one always feels deeply moved when speaking before such a distinguished gathering for the first time.

I thank the Prime Minister (Mr. Pearson) for the honour he has bestowed upon me, knowing that he wanted first of all to pay tribute to the riding of Lotbiniere, which I have the privilege to represent, and especially to youth, the young people that our party has brought to life, which flatly contradicts those who, for a long time, labelled us an "old party", in particular the hon. member for Lapointe (Mr. Gregoire).

Mr. Speaker, following the remarks made by the hon. member for Northumberland—

(Text):

May I also extend my warmest congratulations to the hon. member for Northumberland (Miss Jewett) for the distinction, the charm and the great eloquence with which she performed her duty and delivered the wonderful speech we have just heard.

(Translation):

Mr. Speaker, I should like to offer you my warmest congratulations, not so much to follow a well-established tradition but because it is most obvious that your appointment is fully justified considering your outstanding capabilities, your deep sense of impartiality and the exceptional ability you always showed during parliamentary debates when you were chairman of a committee of the house. Indeed, your great qualities made you the likeliest choice to fill the honourable but difficult position of Speaker of the House of Commons.

I should also like to offer the Prime Minister my heartfelt congratulations for having succeeded in winning the confidence of the Canadian people. Canadians were happy to give him their confidence because they knew that under his efficient leadership our country would enjoy prosperity.

Mr. Speaker, may I express my most heartfelt appreciation to the voters of Lotbiniere for their confidence. I shall, in turn, assure them once again of my constant and persistent devotion when defending their interests in this house.

You know, Mr. Speaker, that the hon. member for Villeneuve (Mr. Caouette)—I am sorry that he is not in the house at this moment—has helped to elect me in Lotbiniere riding, and I trust that the hon. member for Lapointe (Mr. Gregoire), will convey this message to him.

Indeed, resorting to the strategy of the hon. member for St. Jean-Iberville-Napierville (Mr. Dupuis), I challenged the hon. member for Villeneuve to face me in a contradictory meeting. To justify his absence, he said that he had to meet leaders and not lieutenants; indeed, considering recent events within the Social Credit party, we have to admit that the hon. member for Villeneuve has a certain taste for "secrecy", for he stated during a meeting: "I say to him who challenges me to face him in a contradictory meeting, that I shall see quite enough of him in Ottawa". His wish was so well fulfilled that the standard bearer of the Social Credit party in my county lost his deposit.

Mr. Speaker, we have gone before the people with a well-defined platform, containing the following essential points: first of all,

a new start for the Canadian economy; restoring security and Canada's international standing; save our confederation which today is the butt of all sorts of ideological trouble.

The speech from the throne, though a succinct one, shows that the Liberal party has the will and determination to uphold its pledges to the people.

We want to revive Canadian economy. In order to do so, the government, in the speech from the throne, advocates the creation of a department of industry. In our era of technological revolution, where science is progressing at a terrific speed, and industrial development gets into a giant's stride, it is of primary importance that the Canadian government have a department of industry.

The speech from the throne also advocates the setting up of a system of contributory pensions. Here, Mr. Speaker, we can realize that in Canada the Liberal party has always been a pioneer in social legislation, because its philosophy is precisely based on the dignity of the human person. Thus, family allowances, set up by the Liberal party, establish the family as the basic unit of a rich and high-minded society.

The Liberal party, aware of the need for old age security, also established it. It is that party that set up old age pensions.

The Liberal party, aware of the fact that a nation that wants to be rich, strong and great must enjoy good health, established hospital insurance.

And, still in the same field, the Liberal party always in the van of progress, now advocates the establishment of a contributory pension plan to improve our social security system in Canada.

Mr. Speaker, in the Liberal party's platform the development and the rehabilitation of the agricultural industry is proposed, along with the appointment of a second minister of agriculture.

As a representative of a rural riding, I can only welcome this eminently beneficial measure which will provide for the appointment of a minister of agriculture to deal with the problems of the eastern farmers, which are so numerous and so pressing.

The Quebec farmers face serious problems, whether in the dairy farming, in the hog raising industry, in the mechanization of farms—which entail fantastic outlays for our farmers. Further, their insufficient income cannot provide them with adequate comfort. The department of agriculture for eastern Canada will have heavy responsibilities. It shall probably not be able to solve completely all the problems that exist.

The department of agriculture for eastern Canada will certainly have a heavy task, and will probably not be able to solve all the existing problems.

Georges Clemenceau used to say: "The state has too many children to be a good father". One thing is certain: the new department will be able to offer appreciable help to our eastern farmers, more particularly in the province of Quebec.

Mr. Speaker, the program of the Liberal party advocates a revival of Canada's international prestige. It is enough to mention the name of the Prime Minister to have a concrete and exalting vision of the international prestige Canada will enjoy in the years to come.

As for the Secretary of State for External Affairs (Mr. Martin) we know that under the Liberal regime, from 1945 to 1957, he built up our whole system of social security. It is quite clear that his awareness of social problems will help him become a first-rate diplomat.

Mr. Speaker, for all those reasons and motives, I am honoured and pleased to second the address in reply to the speech from the throne.

(Text):

On motion of Mr. Diefenbaker the debate was adjourned.

(Translation):

MR. DENIS—CORRECTION OF STATEMENT MADE EARLIER IN PROCEEDINGS

Hon. Azellus Denis (Postmaster General): Mr. Speaker, before the house adjourns, may I raise a question of privilege in order to make a corrective statement?

Contrary to what I had been told by the Westmount police, fortunately Sergeant-major Walter Leja is not dead, although he is seriously wounded. Everything is being done to save his life.

(Text):

On motion of Mr. Pearson the house adjourned at 4.30 p.m.

HOUSE OF COMMONS

Monday, May 20, 1963

The house met at 2.30 p.m.

HER MAJESTY THE QUEEN

DECLARATION OF LOYALTY ON CELEBRATION OF BIRTHDAY

Mr. Speaker: Hon. members, today we celebrate the birthday of Her Gracious Majesty Queen Elizabeth. As has been customary for some time now we in this house are showing our loyalty and devotion by continuing our work in parliament. As an expression of that loyalty and devotion may I suggest that, if the house so desires, I send on your behalf a birthday message to Her Majesty.

Does that meet with your wishes?

Some hon. Members: Agreed.

ARTS, LETTERS AND SCIENCES

TABLING OF TEXT OF LETTER TO PREMIERS CONCERNING ROYAL COMMISSION

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I should like to table two copies in French and two copies in English of a letter I addressed on May 15 to the premiers of all the provinces concerning a royal commission on bilingualism and biculturalism. Mr. Speaker, I should like to suggest, if the house desires, these could be printed as an appendix to *Hansard* of this date.

Some hon. Members: Agreed.

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

BUSINESS OF THE HOUSE

PROCEDURE REGARDING INTRODUCTION OF BILLS

Mr. Speaker: Before the introduction of the following 64 bills I would like to make what I hope will be a reasonably short statement. The house will note that there is a record number of bills, namely 64, listed for introduction by private members on today's order paper. I would like to compliment hon. members on their interest and zeal in submitting such a great number of bills on the opening days of the session.

Some of the bills were considered in the past session and are being reintroduced at this time, but there is also a substantial number of new proposals.

As a result of this flooding in the opening days it is difficult if not impossible for the Chair to review the provisions of these bills to ensure that they conform to the practices and usages of this house. Indeed, copies of most of them will be coming before me for the first time later on in the sitting during the course of subsequent proceedings.

I have two suggestions which I would like to submit to the consideration of the house in order to provide the maximum of time for speeches by the several leaders which, by tradition, are made at this stage of the address debate.

First, the house might wish to consider the advisability of proceeding with the first readings of these bills with the understanding that each will be scrutinized between now and the time appointed for its second reading, when any defects therein will be brought to the attention of the house. As hon. members know, the order for first reading of a bill merely authorizes its printing and, after it has been printed and distributed, they too will be in a position to discuss any irregularity that may be found in the bill.

I should say that a similar suggestion was submitted to, and accepted by the house, by my predecessor which is to be found at page 30 of *Hansard*, October 1, 1962, and also by Mr. Speaker Michener at page 2382 of *Hansard*, April 2, 1962.

Second, the house will appreciate that almost two hours or more may be required in order to introduce and give first reading separately to each of the bills listed for introduction in this sitting.

If the house is agreeable, I suggest that by unanimous consent the 64 bills listed for introduction be deemed to have been introduced, given first reading and ordered for a second reading at the next sitting of the house, subject, of course, to my prior remarks as to the examination and regularity of each bill.

Is it the pleasure of the house to grant unanimous consent for the suggested procedure?

Some hon. Members: Agreed.

Mr. Speaker: Accordingly, by unanimous consent of the house I declare that the 64

bills listed for introduction by private members on today's order paper are deemed to have been introduced, read a first time and ordered for second reading at the next sitting of the house.

INDUSTRIAL RELATIONS

PROVISION OF STATUTORY HOLIDAYS WITH PAY FOR EMPLOYEES

Mr. Stanley Knowles (Winnipeg North Centre) moved for leave to introduce Bill No. C-2, to provide for pay for work performed on statutory holidays for employees in federal works, undertakings and businesses.

Motion agreed to and bill read the first time.

PROVISION OF MINIMUM RATE OF WAGES FOR EMPLOYEES

Mr. Stanley Knowles (Winnipeg North Centre) moved for leave to introduce Bill No. C-28, to provide for minimum wages for employees in federal works, undertakings, and businesses.

Motion agreed to and bill read the first time.

REPRESENTATION ACT

AMENDMENT TO CHANGE NAME OF ELECTORAL DISTRICT

Mr. L. P. Antoine Belanger (Charlevoix) moved for leave to introduce Bill No. C-3, to amend the Representation Act.

Motion agreed to and bill read the first time.

AMENDMENT TO CHANGE NAME OF ELECTORAL DISTRICT

Mr. Gilles Gregoire (Lapointe) moved for leave to introduce Bill No. C-47, to amend the Representation Act.

Motion agreed to and bill read the first time.

BROADCASTING ACT

ISSUE OF LICENCES SUBJECT TO COMPLIANCE WITH BILL OF RIGHTS

Mr. H. W. Herridge (Kootenay West) moved for leave to introduce Bill No. C-4, to amend the Broadcasting Act (human rights abuses remedied).

Motion agreed to and bill read the first time.

AMENDMENT PROVIDING CONTROL OVER COMMUNITY ANTENNA

Mr. D. M. Fisher (Port Arthur) moved for leave to introduce Bill No. C-30, to amend the Broadcasting Act (community antenna).

[Mr. Speaker.]

Motion agreed to and bill read the first time.

AMENDMENTS RESPECTING PARTISAN POLITICAL BROADCAST

Mr. H. C. Harley (Halton) moved for leave to introduce Bill No. C-54, to amend the Broadcasting Act (political programs).

Motion agreed to and bill read the first time.

BANKRUPTCY ACT

AMENDMENT RESPECTING PAYMENT TO PRODUCERS OF PRIMARY PRODUCTS

Mr. E. F. Whelan (Essex South) moved for leave to introduce Bill No. C-5, to amend the Bankruptcy Act (primary products under processing).

Motion agreed to and bill read the first time.

AMENDMENTS RESPECTING WAGE EARNERS' ASSIGNMENTS

Mr. David Orlikow (Winnipeg North) moved for leave to introduce Bill No. C-12, to amend the Bankruptcy Act (wage earners' assignment).

Motion agreed to and bill read the first time.

FINANCE

PROVISION RESPECTING CONTROL OF CONSUMER CREDIT

Mr. Reid Scott (Danforth) moved for leave to introduce Bill No. C-6, for the control of consumer credit.

Motion agreed to and bill read the first time.

LEGISLATION PROVIDING RELIEF AGAINST UNCONSCIONABLE TRANSACTIONS

Mr. Andrew Brewin (Greenwood) moved for leave to introduce Bill No. C-62, respecting relief against unconscionable transactions.

Motion agreed to and bill read the first time.

PENSION ACT

AMENDMENT PROVIDING FOR APPEAL TO COURTS

Mr. Jack McIntosh (Swift Current-Maple Creek) moved for leave to introduce Bill No. C-7, to amend the Pension Act (judicial appeals).

Motion agreed to and bill read the first time.

NATIONAL HARBOURS BOARD ACT

PROVISION FOR CONSTRUCTION OF ELEVATOR AT TISDALE, SASK.

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale) moved for leave to introduce Bill No. C-8, to amend the National Harbours Board Act (Tisdale grain terminal).

Motion agreed to and bill read the first time.

SMALL LOANS ACT

AMENDMENT REQUIRING STATEMENTS OF TRUE INTEREST RATE CHARGE

Mr. David Orlikow (Winnipeg North) moved for leave to introduce Bill No. C-9, to amend the Small Loans Act (advertising).

Motion agreed to and bill read the first time.

AMENDMENT TO REDUCE MAXIMUM INTEREST RATE

Mr. David Orlikow (Winnipeg North) moved for leave to introduce Bill No. C-14, to amend the Small Loans Act.

Motion agreed to and bill read the first time.

AMENDMENT TO REDUCE MAXIMUM INTEREST RATE

Mr. C. A. Gauthier (Roberval) moved for leave to introduce Bill No. C-23, to amend the Small Loans Act (cost of a loan).

Motion agreed to and bill read the first time.

INTEREST ACT

AMENDMENT TO PLACE CEILING ON INTEREST RATES

Mr. David Orlikow (Winnipeg North) moved for leave to introduce Bill No. C-10, to amend the Interest Act.

Motion agreed to and bill read the first time.

AMENDMENT TO PROVIDE FOR DISCLOSURE OF COST OF CREDIT

Mr. E. Nasserden (Rosthern) moved for leave to introduce Bill No. C-31, to amend the Interest Act (finance charges).

Motion agreed to and bill read the first time.

AMENDMENT TO PLACE CEILING ON INTEREST RATES

Mr. Rodolphe Leduc (Gatineau) moved for leave to introduce Bill No. C-55, to amend the Interest Act.

Motion agreed to and bill read the first time.

COASTAL FISHERIES PROTECTION ACT

PROVISION FOR EXTENSION OF FISHING ZONES

Mr. Barry Mather (New Westminster) moved for leave to introduce Bill No. C-11, to amend the Coastal Fisheries Protection Act (twelve mile fishing zone).

Motion agreed to and bill read the first time.

CIVIL SERVICE ACT

AMENDMENT TO ADD REMEMBRANCE DAY AS HOLIDAY

Mr. H. W. Herridge (Kootenay West) moved for leave to introduce Bill No. C-13, to amend the Civil Service Act (Remembrance Day).

Motion agreed to and bill read the first time.

PROVISION FOR COLLECTIVE BARGAINING AND ARBITRATION

Mr. R. W. Prittie (Burnaby-Richmond) moved for leave to introduce Bill No. C-51, to amend the Civil Service Act (collective bargaining and arbitration).

Motion agreed to and bill read the first time.

AMENDMENTS RESPECTING WITHHOLDING OR REFUSAL OF RIGHTS

Mr. Jack McIntosh (Swift Current-Maple Creek) moved for leave to introduce Bill No. C-39, to amend the Civil Service Act (bureaucratic oppression).

Motion agreed to and bill read the first time.

RAILWAY ACT

PROVISION FOR RETRAINING AND MOVING COSTS OF DISPLACED EMPLOYEES

Mr. D. M. Fisher (Port Arthur) moved for leave to introduce Bill No. C-15, to amend the Railway Act (responsibility for dislocation costs).

Motion agreed to and bill read the first time.

AMENDMENT RESPECTING ABANDONED RAILWAY LANDS

Mr. J. N. Ormiston (Melville) moved for leave to introduce Bill No. C-17, to amend the Railway Act (the public's royalties in abandoned railways).

Motion agreed to and bill read the first time.

Proposed Legislation

AMENDMENT RESPECTING ABANDONMENT OF BRANCH LINES

Mr. W. H. A. Thomas (Middlesex West) moved for leave to introduce Bill No. C-27, to amend the Railway Act (abandonment).

Motion agreed to and bill read the first time.

WESTERN CANADA VETERINARY COLLEGE

PROVISION OF FACILITIES FOR STUDY OF VETERINARY MEDICINE AND SURGERY

Mr. J. N. Ormiston (Melville) moved for leave to introduce Bill No. C-16, to found and constitute the western Canada veterinary college.

Motion agreed to and bill read the first time.

IMMIGRATION

PROVISION OF AMNESTY RESPECTING IRREGULAR OR ILLEGAL ADMISSIONS TO CANADA

Mr. Ian Grant Wahn (St. Paul's) moved for leave to introduce Bill No. C-18, to grant amnesty to and confirm the rights of Asians, Africans and other persons subject to racial discrimination whose admission to Canada may have been irregular or illegal.

Motion agreed to and bill read the first time.

PUBLIC SERVICE

MEASURE TO ESTABLISH OFFICE OF PARLIAMENTARY COMMISSIONER

Mr. R. N. Thompson (Red Deer) moved for leave to introduce Bill No. C-19, to establish the office of parliamentary commissioner.

Motion agreed to and bill read the first time.

LEGISLATION TO PERMIT POLITICAL ACTIVITY

Mr. Reid Scott (Danforth) moved for leave to introduce Bill No. C-52, to enable civil servants to engage in political activity.

Motion agreed to and bill read the first time.

ANNUAL VACATIONS ACT

PROVISION FOR TWO WEEKS HOLIDAY AFTER ONE YEAR

Mr. Stanley Knowles (Winnipeg North Centre) moved for leave to introduce Bill No. C-20, to amend the Annual Vacations Act.

Motion agreed to and bill read the first time.

[Mr. Ormiston.]

SWEEPSTAKES

LEGISLATION TO AUTHORIZE PROVINCIAL SWEEPSTAKES FOR HOSPITALS AND UNIVERSITIES

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm) moved for leave to introduce Bill No. C-21, with respect to hospital and university sweepstakes.

Motion agreed to and bill read the first time.

LEGISLATION TO ESTABLISH HOSPITAL SWEEPSTAKES BOARD

Mr. J. H. Horner (Acadia) moved for leave to introduce Bill No. C-24, to provide for the establishment of a hospital sweepstakes board.

Motion agreed to and bill read the first time.

DEPARTMENT OF STATE ACT

AMENDMENT TO CREATE DEPARTMENT OF FEDERAL-PROVINCIAL RELATIONS

Mr. Heward Grafftey (Brome-Missisquoi) moved for leave to introduce Bill No. C-22, to amend the Department of State Act.

Motion agreed to and bill read the first time.

DIVORCE

PROVISION FOR PARLIAMENTARY PROCTOR AND TAXATION OF COSTS

Mr. Arnold Peters (Timiskaming) moved for leave to introduce Bill No. C-25, to establish the office of parliamentary proctor and to regulate taxation of costs.

Motion agreed to and bill read the first time.

MEASURE TO MODERNIZE DISSOLUTION AND ANNULMENT OF MARRIAGE

Mr. Arnold Peters (Timiskaming) moved for leave to introduce Bill No. C-50, to provide in Canada for the dissolution and the annulment of marriage.

Motion agreed to and bill read the first time.

PROVISION TO REMOVE NECESSITY FOR HOUSE OF COMMONS CONCURRENCE

Mr. Henri Latulippe (Compton-Frontenac) moved for leave to introduce Bill No. C-41, respecting procedure in relation to parliamentary divorce.

Motion agreed to and bill read the first time.

CANADA ELECTIONS ACT

AMENDMENT RESPECTING COUNT OF VOTES AT ADVANCE POLLS

Mr. Rodolphe Leduc (Gatineau) moved for leave to introduce Bill No. C-26, to amend the Canada Elections Act (advance polls).

Motion agreed to and bill read the first time.

AMENDMENT TO REDUCE AGE OF VOTERS

Mr. Reid Scott (Danforth) moved for leave to introduce Bill No. C-60, to amend the Canada Elections Act (age of voters).

Motion agreed to and bill read the first time.

AMENDMENTS WITH RESPECT TO POLITICAL PROGRAMS

Mr. H. C. Harley (Halton) moved for leave to introduce Bill No. C-63, to amend the Canada Elections Act (political programs).

Motion agreed to and bill read the first time.

INDUSTRY

PROVISIONS FOR DISTRIBUTION OF INDUSTRY AND REDUCTION OF UNEMPLOYMENT

Mr. Robert C. Coates (Cumberland) moved for leave to introduce Bill No. C-29, to provide for the development of certain provinces by the distribution of industry and for the reduction of unemployment therein.

Motion agreed to and bill read the first time.

LOTTERIES

PROVISION FOR ESTABLISHMENT OF CORPORATION TO OPERATE NATIONAL LOTTERIES

Mr. J. N. Ormiston (Melville) moved for leave to introduce Bill No. C-32, to establish Canadian futures.

Motion agreed to and bill read the first time.

BILLS OF EXCHANGE ACT

AMENDMENT TO PREVENT FRAUD IN RETAIL CREDIT TRANSACTIONS

Mr. Arnold Peters (Timiskaming) moved for leave to introduce Bill No. C-33, to amend the Bills of Exchange Act (instalment purchases).

Motion agreed to and bill read the first time.

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Proposed Legislation

INDIAN ACT

AMENDMENT RESPECTING POSSESSION AND CONSUMPTION OF INTOXICANTS

Mr. T. S. Barnett (Comox-Alberni) moved for leave to introduce Bill No. C-34, to amend the Indian Act (liquor rights).

Motion agreed to and bill read the first time.

CRIMINAL CODE

AMENDMENT REQUIRING NOTICE TO PUBLIC SERVANT NOT REAPPOINTED

Mr. D. M. Fisher (Port Arthur) moved for leave to introduce Bill No. C-35, to amend the Criminal Code (a purge for the King's evil).

Motion agreed to and bill read the first time.

AMENDMENT TO PROVIDE FOR PROVINCIAL LOTTERIES

Mr. Georges Valade (St. Mary) moved for leave to introduce Bill No. C-36, to amend the Criminal Code (provincial lotteries).

Motion agreed to and bill read the first time.

AMENDMENT TO ABOLISH CAPITAL PUNISHMENT EXCEPT FOR TREASON

Mr. Reid Scott (Danforth) moved for leave to introduce Bill No. C-37, to amend the Criminal Code (capital punishment).

Motion agreed to and bill read the first time.

AMENDMENT RESPECTING APPEAL IN HABEAS CORPUS PROCEEDINGS

Mr. John R. Matheson (Leeds) moved for leave to introduce Bill No. C-42, to amend the Criminal Code (habeas corpus).

Motion agreed to and bill read the first time.

AMENDMENT TO PROVIDE FOR PROVINCIAL LOTTERIES

Mr. Gerard Perron (Beauce) moved for leave to introduce Bill No. C-44, to amend the Criminal Code (provincial lotteries).

Motion agreed to and bill read the first time.

AMENDMENT WITH RESPECT TO WATER POLLUTION

Mr. H. W. Herridge (Kootenay West) moved for leave to introduce Bill No. C-48, to amend the Criminal Code (nuisance).

Motion agreed to and bill read the first time.

Proposed Legislation

AMENDMENT TO CHANGE RULE RESPECTING INSANITY

Mr. Andrew Brewin (Greenwood) moved for leave to introduce Bill No. C-53, to amend the Criminal Code (insanity).

Motion agreed to and bill read the first time.

AMENDMENT RESPECTING BIRTH CONTROL METHODS

Mr. R. W. Prittie (Burnaby-Richmond) moved for leave to introduce Bill No. C-64, to amend the Criminal Code.

Motion agreed to and bill read the first time.

CANADA FAIR EMPLOYMENT PRACTICES ACT

AMENDMENT TO PROHIBIT DISCRIMINATION BECAUSE OF AGE

Mr. Barry Mather (New Westminster) moved for leave to introduce Bill No. C-38, to amend the Canada Fair Employment Practices Act (age discrimination).

Motion agreed to and bill read the first time.

NATIONAL ENERGY BOARD ACT

APPLICATION OF PROVINCIAL DRAINAGE LAWS TO PIPE LINES

Mr. W. H. A. Thomas (Middlesex West) moved for leave to introduce Bill No. C-40, to amend the National Energy Board Act (drainage works).

Motion agreed to and bill read the first time.

BANK OF CANADA ACT

AMENDMENT RESPECTING ACCEPTANCE OF LOCAL CURRENCIES

Mr. Maurice Cote (Chicoutimi) moved for leave to introduce Bill No. C-43, to amend the Bank of Canada Act.

Motion agreed to and bill read the first time.

UNEMPLOYMENT INSURANCE ACT

AMENDMENT RESPECTING BENEFITS TO EMPLOYEES IN AGRICULTURE

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale) moved for leave to introduce Bill No. C-45, to amend the Unemployment Insurance Act (agricultural employees' coverage).

Motion agreed to and bill read the first time.

[Mr. Herridge.]

AGRICULTURAL REHABILITATION AND DEVELOPMENT ACT

AMENDMENT TO EXTEND APPLICATION TO INDIAN RESERVES

Mr. D. M. Fisher (Port Arthur) moved for leave to introduce Bill No. C-46, to amend the Agricultural Rehabilitation and Development Act (Indian reserve).

Motion agreed to and bill read the first time.

RADIO ACT

AMENDMENT RESPECTING DEFINITION OF "BROADCASTING"

Mr. D. M. Fisher (Port Arthur) moved for leave to introduce Bill No. C-49, to amend the Radio Act (community antenna).

Motion agreed to and bill read the first time.

BRITISH NORTH AMERICA ACT

AMENDMENT RESPECTING READJUSTMENT OF REPRESENTATION IN HOUSE OF COMMONS

Mr. D. M. Fisher (Port Arthur) moved for leave to introduce Bill No. C-56, to amend the British North America Acts, 1867 to 1960, with respect to the readjustment of representation in the House of Commons.

Motion agreed to and bill read the first time.

TRANSPORTATION

PROVISION OF FREE RAILWAY TRANSPORTATION FOR SENIOR CITIZENS

Mr. Reid Scott (Danforth) moved for leave to introduce Bill No. C-57, to provide for free transportation on the railways of Canada for senior citizens.

Motion agreed to and bill read the first time.

LABOUR CONDITIONS

ESTABLISHMENT OF 40-HOUR WEEK IN FEDERAL UNDERTAKINGS

Mr. Reid Scott (Danforth) moved for leave to introduce Bill No. C-57, to provide for of work for employees in federal works, undertakings and businesses.

Motion agreed to and bill read the first time.

HUMAN RIGHTS

PROVISION FOR REVIEW OF ADMINISTRATIVE POWERS

Mr. John R. Matheson (Leeds) moved for leave to introduce Bill No. C-59, to provide

for review of administrative powers and to relieve from their misapplication (administrative review).

Motion agreed to and bill read the first time.

CANADIAN FLAG

PROVISION FOR NATIONAL FLAG AND NATIONAL ANTHEM

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm) moved for leave to introduce Bill No. C-61, respecting a national flag and a national anthem of Canada.

Motion agreed to and bill read the first time.

HOUSE OF COMMONS ACT

AMENDMENT RESPECTING DUTIES OF SPEAKER AFTER DISSOLUTION

Mr. E. F. Whelan (Essex South) moved for leave to introduce Bill No. C-65, to amend the House of Commons Act (Speaker on dissolution).

Motion agreed to and bill read the first time.

BUSINESS OF THE HOUSE

POSTPONEMENT OF ITEMS UNDER GOVERNMENT NOTICES OF MOTIONS

On the order: Government notices of motions.

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, for the excellent reasons Your Honour has just given with respect to the bills by private members, I would ask if this item could stand until tomorrow.

Mr. Speaker: Is it agreed that all items under government notices of motions on today's order paper stand until tomorrow?

Some hon. Members: Agreed.

LABOUR RELATIONS

INQUIRY AS TO MEETINGS WITH U.S. SECRETARY OF LABOUR

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to ask the Minister of Labour a question relating to the meetings he is reported to have held with the secretary of labour of the United States. Could the minister give us any indication as to the gist of these conversations, and some assurance that no action will be taken until the Norris inquiry report on the great lakes strife is available?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, the secretary of labour for the United States was in Ottawa for several hours on Friday evening, and at that time we held a preliminary discussion of this whole question. It is expected that tomorrow the discussions will continue in Washington, at which meeting Mr. Meany and Mr. Jodoin will be present. At this stage in the discussions I do not think anything useful can be said in reply to the detailed aspect of the hon. member's question.

TRANS-CANADA AIR LINES

WINNIPEG—TRANSFER OF OVERHAUL AND MAINTENANCE BASE

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I should like to direct a question to the Minister of Transport. Does the government intend to honour the commitment made by the Prime Minister during the election campaign, to retain in Winnipeg and St. James the T.C.A. overhaul and maintenance base?

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, I have not had notice of the question, but I have had an opportunity of looking into this subject matter and I can find no such commitment having been made.

Some hon. Members: Oh, oh.

[*Later:*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister supplementary to the one put to the Minister of Transport by the hon. member for Winnipeg South Centre. Was not the Prime Minister's telegram of March 30 to the Liberal candidate in Winnipeg South Centre a commitment by the Liberal party to keep the Trans-Canada Air Lines overhaul base in Winnipeg?

Right Hon. L. B. Pearson (Prime Minister): I have not that statement before me; perhaps the hon. member has. But there was no commitment in that statement in the terms put forward by the hon. member who asked the question in the first instance.

Mr. Knowles: I shall be glad to send a copy of the Prime Minister's telegram to the Prime Minister and to the Minister of Transport.

(Translation):

DOMINION-PROVINCIAL RELATIONS

INQUIRY AS TO CONFERENCE ON FISCAL MATTERS

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I wish to direct a question to the Prime Minister. Does he intend to call a federal-provincial conference on taxation?

(Text):

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I cannot give my hon. friend any precise date, but a conference on these matters will have to be called soon. As soon as I can be more precise, I will let the house know.

(Translation):

[*Later:*]

REPORTED ULTIMATUM FOR QUEBEC PREMIER

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to put a question to the Minister of Justice. Did he have any opportunity in the last few days to inquire about the ultimatum delivered on April 5 last by the Quebec premier respecting the sharing of taxation sources on a new basis?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, the answer is no.

Mr. Gregoire: A supplementary question. Does the minister still believe, as he suggested last April, that the present government is the most qualified to meet the request of the province of Quebec for a new tax-sharing agreement?

Mr. Chevrier: Mr. Speaker, the answer is yes.

Mr. Gregoire: A further supplementary question, Mr. Speaker. Does the answer just given by the minister mean that the present government accepts the ultimatum of the Quebec government and intends to give back to the provinces their sources of taxation and income?

Mr. Speaker: Order. The minister does not have to answer that question.

Mr. Gregoire: Mr. Speaker, I believe that the Minister of Justice was willing to answer.

ARTS, LETTERS AND SCIENCES

INQUIRY AS TO PERSONNEL OF ROYAL COMMISSION

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I wish to direct a question to the minister without portfolio, the hon. member for Outremont.

Does the minister intend to recommend to the government the appointment of Messrs. Gerard Pelletier and Andre Laurendeau as members of the royal commission on biculturalism and, if not, why?

Hon. Maurice Lamontagne (President of the Privy Council): Mr. Speaker, in my opinion, that question cannot be asked on the orders of the day.

INQUIRY AS TO TERMS OF REFERENCE OF ROYAL COMMISSION

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to direct a question to the minister without portfolio, the hon. member for Outremont. Does the hon. minister intend to include in the program of the royal commission on biculturalism the question of returning to the provinces their sources of income?

Hon. Maurice Lamontagne (President of the Privy Council): Mr. Speaker, I do not believe the taxation question will be among the terms of reference of the commission which is yet to be established.

(Text):

GRAIN

WHEAT—INTRODUCTION OF TWO PRICE SYSTEM

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, last Friday I directed a question to the government asking whether we could expect legislation to be brought down soon with respect to the two price system for wheat to guarantee farmers $2 a bushel for wheat. At that time the Minister of Agriculture suggested he would treat the question as notice, and I wonder if the Prime Minister or any member of the government is now prepared to answer it.

Right Hon. L. B. Pearson (Prime Minister): This is an important matter of government policy, and an announcement will be made in due course.

(Translation):

EXTERNAL AFFAIRS

CANADIAN MEMBERSHIP IN ORGANIZATION OF AMERICAN STATES

On the orders of the day:

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. Does the present government intend to have Canada join the organization of American states?

Hon. Paul Martin (Secretary of State for External Affairs): I must inform the hon. member that the question is still under active consideration.

(Text):

RED CHINA—INQUIRY AS TO RECOGNITION BY CANADA

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): I wish to address a question to the Secretary of State for External Affairs. Is his government considering at this time formal diplomatic recognition by Canada of red China?

Hon. Paul Martin (Secretary of State for External Affairs): As the hon. gentleman knows, these questions are always under review, and it is in accordance with our tradition that the government shall determine when government policy will be announced.

NATO—PARTICIPATION OF CANADIAN OFFICIALS IN DRAFTING OF PRESS RELEASES

On the orders of the day:

Hon. Alvin Hamilton (Qu'Appelle): I should like to ask the Secretary of State for External Affairs if any Canadian officials have participated in the drafting of the final official press releases for the NATO ministerial conference to be held in Ottawa this week?

Hon. Paul Martin (Secretary of State for External Affairs): As my hon. friend knows, that is a wholly improper question.

AIR TRANSPORT

REQUEST FOR STATEMENT ON DISPUTE RESPECTING INTERNATIONAL FARES

On the orders of the day:

Mr. R. N. Thompson (Red Deer): I should like to direct my question to the Minister of Transport. Does the hon. gentleman have anything to report to the house regarding Canada's position in the international dispute relating to trans-Atlantic air fares?

Hon. G. J. McIlraith (Minister of Transport): I can report that the meeting of the air lines which took place in Bermuda last week was adjourned on Saturday night and will be continued in Montreal on Wednesday.

ALLEGED REFUSAL OF CANADIAN NATO DELEGATION TO USE T.C.A.

On the orders of the day:

Hon. Paul Martin (Secretary of State for External Affairs): On Friday last the hon. member for Three Rivers asked me why the Canadian NATO delegation in Paris refused to fly the Atlantic by T.C.A. to attend the NATO meeting in Ottawa which opens this week.

There was no such refusal. Normally Canadian government officials flying to and from Canada in the course of their duties travel by T.C.A. whenever this is possible. In the particular case referred to, it was necessary for the Canadian permanent representative to NATO and two of his officers to be in Paris for a meeting of the NATO council on Wednesday, May 15, and to be on hand in Ottawa in time to confer with the secretary general of NATO, Mr. Stikker, here on Friday May 17. This meant travelling on Thursday, May 16, and since there was no T.C.A. flight from Paris to Canada on that day it was necessary to use another carrier. The party travelled economy class and, before leaving Paris, booked their return flight from Canada on T.C.A. and will again travel economy class.

COMBINES

AMENDMENTS RESPECTING TIED SALES BY SERVICE STATIONS

On the orders of the day:

Mr. R. W. Prittie (Burnaby-Richmond): I have a question for the Minister of Justice. Does the minister intend to implement the recommendations of the restrictive trade practices commission concerning amendments to the Combines Investigation Act to control the practice of tied sales imposed upon service stations by certain petroleum companies?

Hon. Lionel Chevrier (Minister of Justice): The hon. member was good enough to send me notice of his question and I find that the report of the commission has been referred to an interdepartmental committee for the purpose of determining the implications for other industries of implementing the commission's report which, as the hon. member knows, was confined to the oil industry. Having said that, I am afraid an answer to the latter part of the hon. member's question will have to await the report of the interdepartmental committee.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): Mr. Speaker, I should like to direct a question to the Prime Minister. It is reported that the Saskatchewan Liberal leader said Wednesday that the Prime Minister had agreed to assign a federal cabinet minister to look after Saskatchewan's interests. My question is this. Is this going to be the practice of the government, to assign somebody to represent the people of Saskatchewan in parliament, instead of having the duly elected members of Saskatchewan attend to this business?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, if my hon. friend, in accordance with constitutional practice in these matters,

would cross to this side of the house we would be glad to give him that responsibility.

POWER

COLUMBIA RIVER—CONSULTATIONS WITH INTERESTED PARTIES BEFORE RENEGOTIATION

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Prime Minister. In view of the very voluminous correspondence of the right hon. gentleman, when he was official leader of the opposition, with various British Columbia organizations, local authorities, and many other persons, stating his belief in the need for renegotiation of the Columbia river treaty, can the right hon. gentleman assure the house that all British Columbia interests, particularly those of the Arrow lakes water resources committee, will be consulted by the government before a final decision concerning the terms of the treaty is reached, as he indicated in his correspondence with these various people?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, before adjustments, modifications or clarifications are made to this treaty, all aspects of the matter will be considered, and we will be glad to hear representations from all those concerned on any aspect.

TRANSPORT

WINNIPEG-SASKATOON—PROPOSED DISCONTINUANCE OF TRAIN SERVICE

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, on Friday last I directed a question to the Prime Minister in connection with the proposed discontinuance of trains Nos. 9 and 10, at which time he committed himself to look into the question that afternoon. I wonder if the Prime Minister is in a position to give me an answer to that question.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, this question should more properly have been addressed, of course, to the Minister of Transport, but as I did take notice of the question last Friday perhaps I may be permitted to reply to it.

In answer to the question with respect to the discontinuance of trains Nos. 9 and 10 from Winnipeg to Saskatoon, representations were received, I am informed, and forthwith referred to the board of transport commissioners who have jurisdiction in this matter. The application for discontinuance by the railway had been heard in Drumheller on November 19 and 20, 1962 after due notice of time and place. All representations and all relevant evidence were duly covered. The board, in a judgment which runs to 47 pages, found that the sum total of inconvenience which might result to people using trains Nos. 9 and 10 did not justify requiring the railway company to sustain a continuing loss of $264,000 per annum and to forgo an estimated annual net financial betterment of $202,000. I am informed by the board that representations received since the date of the judgment gave no reasonable grounds to change the decision.

Mr. Korchinski: A supplementary question in connection with that reply. I wonder whether the Prime Minister would now take this question under advisement and consider reversing the decision of the board.

Mr. J. H. Horner (Acadia): Mr. Speaker, a supplementary question. Has the railroad considered giving the people in that area from Winnipeg to Calgary another type of service, such as a day liner service in place of trains Nos. 9 and 10?

Mr. Pearson: I am sure all aspects of the matter were taken into consideration. In answer to the other supplementary question, I believe there is a right of appeal from a decision of this kind.

RAILWAY BRANCH LINES—REQUEST FOR EXTENSION OF NOTICE PERIOD

On the orders of the day:

Mr. George Muir (Lisgar): Mr. Speaker, I should like to direct a question to the Minister of Transport. In view of the serious dislocation of business and community life caused by the present railway policy of branch line abandonment, is the government giving consideration to extending the notice period prior to abandonment to allow for the necessary adjustment within the communities concerned?

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, the question asked by the hon. member is a rather important one. The government is considering this whole policy in a rather thorough way at the moment and any announcement to be made will be made after consideration.

UNITED NATIONS

REPORTED BRITISH PROPOSAL RESPECTING SPREAD OF NUCLEAR WEAPONS

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I should like to address a question to the Secretary of State for External Affairs. Has the attention of the secretary of

state been called to the proposal made on Saturday by the Earl of Home that the Soviet union agreed to prevent the spread of nuclear weapons to countries that do not yet have them, and his further statement that "if we could attach to it"—meaning a test ban treaty—"a treaty to prevent the spread of nuclear weapons to countries which do not possess them, that too would be an enormous gain"? If the secretary of state has had his attention called to this statement, will this affect the attitude of the Canadian government in this regard?

Mr. Speaker: Does the minister wish to answer?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I have not been informed of any new British proposal in this regard. However, the British government, like the Canadian government and the other western allies, have consistently been in favour of international arrangements to prevent the wider dissemination of control over nuclear weapons. We have supported a resolution in these terms sponsored at the United Nations by Ireland; indeed, this resolution has been unanimously adopted by the United Nations. We continue to believe that measures in this field should be given careful consideration and that their adoption will be of great importance in reducing the risk of war.

So far as Canadian policy is concerned, the hon. member will be aware that there is no question of Canada acquiring nuclear weapons in the sense of obtaining unilateral control over them. No action undertaken by this government with respect to existing defence commitments would run counter to this general policy; and we continue to share the view of other western governments that extension of exclusive national control over such weapons should be prohibited as far as possible by international agreement.

Mr. G. W. Baldwin (Peace River): A supplementary question, Mr. Speaker. Does the minister feel that Canada has any further useful role to play in any 17-nation disarmament discussions, in the light of the statement made by the Prime Minister in this house that the extension of nuclear weapons to countries such as Canada which do not now have them makes it quite impossible for any Canadian Secretary of State for External Affairs to argue against other countries having nuclear weapons?

Mr. Martin (Essex East): Mr. Speaker, the hon. gentleman posed his supplementary question in the form of an argument, but I would say to him in reply that I am sure the great majority of Canadians feel that there is increasing opportunity now for Canada to make a contribution in this very important field.

NATIONAL DEFENCE

NUCLEAR WEAPONS—REPORTED STATEMENT BY DEFENCE MINISTER

On the orders of the day:

Mr. Jack McIntosh (Swift Current-Maple Creek): Mr. Speaker, I should like to address a question to the Minister of National Defence. In an interview shortly after being sworn in the present minister is reported to have said that he expected a Canada-United States agreement on custody and control of nuclear warheads to be signed in about a month's time, an agreement which requires both parliamentary ratification and congressional approval as well as the signatures of the contracting parties.

In view of this statement, would the minister now refute his former claim, which misled the Canadian public, that the Conservative government had fully committed Canada to equipping its air squadrons and Bomarc missiles with nuclear warheads—

Some hon. Members: Order.

Mr. Speaker: Will the hon. member state his question?

Mr. McIntosh: Would the minister now refute his former claim that Canada had made such a commitment?

CHURCHILL, MAN.—STATEMENT ON MAINTENANCE OF U.S. AIR BASE

On the orders of the day:

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, on Friday last the hon. member for Churchill asked whether the recent announcement regarding the closing down of the S.A.C. refuelling base at Frobisher Bay would affect the operation of the base at Fort Churchill.

In reply may I say that on May 15, 1963 a press release was put out under the authority of the Secretary of State for External Affairs. In that release details were given to the effect that U.S.A.F. refuelling aircraft were to be withdrawn from Frobisher and Fort Churchill by July 1, 1963. This action was prompted by the development of newer longer range tanker aircraft, which has rendered further refuelling operations from these two bases unnecessary.

BUSINESS OF THE HOUSE

INQUIRY AS TO TABLING OF ESTIMATES

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I should like to address a question

to the Minister of Finance. Could the minister inform the house as to his intentions with respect to tabling the main estimates for the current fiscal year and also whether he intends to table supplementary estimates at the same time?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I will make an announcement on that subject a little later, after the debate on the speech from the throne has been completed.

STATEMENTS BY SPEAKER IN BOTH FRENCH AND ENGLISH

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I would like to direct a question to the right hon. Prime Minister. In view of the fact that it is his expressed desire to speed up the operations of the House of Commons so as to facilitate dealing with the people's business, will the Prime Minister take under consideration consultation with the Speaker of the house, in light of the fact that we have simultaneous language translation to determine whether it is necessary for all statements made by the Speaker in French to be repeated in English and all statements made in English to be repeated in French?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I think this is entirely a matter for your own decision, but if you would like to discuss it with me I shall be glad to do so.

(Translation):

FINANCE

CONSULTATIONS RESPECTING LOANS TO MUNICIPALITIES

On the orders of the day:

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I should like to direct a question to the Minister of Justice. Did any members of the federal cabinet get in touch with the premier of the province of Quebec, Hon. Jean Lesage, before recommending that federal loans be granted to municipalities?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, I am aware of no communication such as the one mentioned by the hon. member.

CLAIMS FOR REFUND OF TARIFF SURCHARGES

Mr. Remi Paul (Berthier-Maskinonge-Delanaudiere): Mr. Speaker, I should like to direct a question to the Minister of Justice. Does the minister intend to recommend that the government pay the claims for refund of the tariff surcharges levied last June by the Conservative government by order in council and presumably paid by merchants and businessmen, and which would amount to approximately $80 million?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, I replied to that question last Friday by saying that, since the matter is *pendente lite,* it would not be proper for me to answer such a question at this time.

(Text):

Mr. Stanley Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. May I ask the Minister of Justice if it is the intention of the government to put in a defence to the action when it comes before the courts?

Mr. Chevrier: I think my hon. friend will realize that government policy in this respect will be announced in due course.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I should like to ask a question in connection with the strange answer given by the Minister of Justice. Specifically, it is this. Does the government intend to settle the actions instituted by the law firm of Mr. MacTavish, Q.C., without having recourse to the courts in that regard?

Mr. Chevrier: I think the same answer I made originally to this question applies to the question of the former prime minister. Because of the manner in which the question has been put I do not think it deserves any other reply than that since this matter is now before the courts it would be most improper for any minister of the crown to make a statement or reply such as that which the Leader of the Opposition now seeks.

Mr. Diefenbaker: Mr. Speaker, I now ask the hon. gentleman this question, which does not concern the stand to be taken by the government. Does the government intend to put in defences to the actions that have been taken and have the matter come before the courts, or does it intend to settle these actions started by the law firm of which Mr. MacTavish, Q.C., is a member?

Mr. Chevrier: I now reply to the prime minister in the same manner—

Some hon. Members: Oh, oh.

Mr. Chevrier: I apologize. I meant to say that I now reply to the right hon. gentleman that he perhaps more than anyone else knows that these matters are the subject of court action, not only one action but perhaps 30 or more, and he knows that questions of that

nature should not be replied to on the orders of the day, particularly when the matters in question are sub judice.

(Translation):

Mr. Gilles Gregoire (Lapointe): A supplementary question, Mr. Speaker. Does the Minister of Justice intend to make recommendations to the crown attorneys concerning those cases which are now before the court?

Mr. Chevrier: Mr. Speaker, that question has been answered at least four times, and I certainly do not intend to give a reply which could in any way involve the Minister of Justice in a case or cases now before the court.

(Text):

LABOUR CONDITIONS

BELL ISLAND, NFLD.—REPORTED LAY-OFFS AT ORE MINES

On the orders of the day:

Mr. H. Russell MacEwan (Pictou): I should like to direct a question to the Minister of Labour, after first congratulating him on his appointment. In view of the announcement of a major lay-off and an eight week shutdown period at Wabana iron ore mines at Bell island, Newfoundland, the community's only industry, may I ask the minister whether the government intends to take any action in this regard?

Hon. A. J. MacEachen (Minister of Labour): I wish to thank the hon. member for his kind reference to me at the beginning of his question. In so far as the question which he asked is concerned, I shall be glad to investigate this lay-off to see whether any action can be taken in addition to the rather large array of anti-unemployment measures proposed in the speech from the throne.

CAPE BRETON HIGHLANDS NATIONAL PARK—REPORTED LAY-OFFS

On the orders of the day:

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, on Friday last the hon. member for Cape Breton North and Victoria asked me whether I had received protests over what he described as indiscriminate lay-offs in Cape Breton Highlands national park. The answer is simply that I have received no protests because there have been no indiscriminate lay-offs. I think the question probably originated from the fact that on April 30 our department completed a piece of work on behalf of the Department of Transport which had been employing 25 men.

REPORTED LAY-OFFS AT POINT EDWARD NAVAL BASE

On the orders of the day:

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, on Friday last the hon. member for Cape Breton South asked a question, which I took as notice, with regard to the lay-off of civilian employees at Point Edward naval base at Sydney.

I am informed that a reduction in the refit work load necessitated the lay-off of nine casual ship repair labourers effective May 3, 1963. A release list was prepared in accordance with the department's standard point system, based on seniority, efficiency and veterans' preference.

The possibility of re-employing these personnel with other service establishments and government departments in the area is being investigated.

Mr. Donald MacInnis (Cape Breton South): As a supplementary question following the minister's answer, would the minister care to indicate what other areas in that particular region he has in mind for re-employment of these personnel?

Mr. Cardin: I understand there are other departments in the area where these people might be employed.

HEALTH AND WELFARE

REQUEST FOR COMMITTEE TO CONSIDER MARKETING OF DRUGS AND CONTAMINATION OF FOOD

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to direct a question to the Minister of National Health and Welfare. I love to ask questions of a lady. Is it the intention of the minister to propose, this session, that a special committee be appointed to consider and report upon (a) the law and practices relating to the control of the introduction, marketing and use of drugs and, (b) the danger arising from contamination of food by the use of chemicals to kill weeds, insects and other pests?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): It is always a delight to answer a question by a gentleman—an honourable gentleman. I should like to advise the house that the government is considering this matter and proposes to recommend to the house that a committee dealing with the area mentioned by my hon. friend be set up for this study.

Inquiries of the Ministry

FISHERIES

NORTH PACIFIC COMMISSION—EXTENSION OF JAPANESE FISHING RIGHTS

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): I should like to direct a question to the Minister of Fisheries. Last Friday it was indicated the government had decided to accept recommendations made by the international north Pacific fisheries commission. I can find no order in council which has been passed. Would the minister care to indicate to the house by what means the government intends to implement this decision?

Hon. H. J. Robichaud (Minister of Fisheries): In reply to the hon. gentleman I would advise him, and advise the house, that the matter comes under the jurisdiction of the Secretary of State for External Affairs.

[*Later:*]

Mr. Douglas: I should like to direct a question to the Secretary of State for External Affairs. In view of the fact that the Minister of Fisheries has indicated that the government has decided to accede to the recommendations of the international north Pacific fisheries commission, what means does the government propose to take to implement that decision? Will the government bring down legislation to amend the treaty, or does it intend to deal with the matter by executive order?

Hon. Paul Martin (Secretary of State for External Affairs): As my hon. friend knows, following the announcement which was made last week this matter of renewal of the treaty is now under negotiation outside of this country with regard to the consideration of the abstention principle so far as Japan is concerned. With regard to the question my hon. friend asked, I may say that after we have had an opportunity of ascertaining the results of these negotiations we will be in a position to announce in this house the course that we believe should be taken.

(Translation):

UNEMPLOYMENT INSURANCE

GILL REPORT—SUGGESTED CONSIDERATION BY HOUSE COMMITTEE

On the orders of the day:

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to direct a question to the Minister of Labour. Does the minister intend to submit the Gill report to a special committee of the house for study?

(Text):

Hon. A. J. MacEachen (Minister of Labour): It is not the intention of the government to send this report to a special committee, but I can give to my hon. friend, and the house the assurance that any proposed legislative changes to the present unemployment insurance system will be sent to a committee at the appropriate stage.

(Translation):

TRADE AND COMMERCE

WORLD FAIR—APPROVAL OF SITE BY MINISTER

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to ask the Minister of Public Works a question. Could the minister tell the house on what grounds he approved the choice of the present site for the international exhibition which will take place in Montreal, whereas, only a few weeks ago, he was favouring the east of Montreal?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I never favoured the east of Montreal, and the decision which was taken was the best under the present circumstances.

Mr. Pigeon: A supplementary question, Mr. Speaker. How did it happen that the minister sent an open letter to the newspapers recommending eastern Montreal as the international exhibition site during the election campaign?

Mr. Deschatelets: Mr. Speaker, at that time, I recommended that the eastern part of Montreal be included among the numerous sites which were to be taken into consideration.

(Text):

TARIFF REDUCTIONS—OPPORTUNITY FOR REPRESENTATIONS TO GOVERNMENT

On the orders of the day:

Mr. H. W. Danforth (Kent, Ontario): I would like to direct a question to the right hon. Prime Minister, but since it is of a general nature I did not believe notice was necessary. As a result of the great uneasiness found now amongst all branches of manufacturing and industry concerning tariffs, and especially as a result of the reports of tariff slashes sought by the government of the United States, can the Prime Minister inform the house whether this government is considering reductions in Canadian tariffs in any field? If the answer be yes, will the various segments of the industries involved be informed and allowed to make recommendations before a final decision is reached?

Right Hon. L. B. Pearson (Prime Minister): This is certainly not a proper question for orders of the day, and I am not sure whether

it is a proper question for the order paper. However, out of courtesy to my hon. friend I would inform him that of course all questions concerning tariff reductions and the elimination of other forms of obstacles to trade are under consideration by the government. Perhaps when the Minister of Trade and Commerce returns later this week from Geneva, where these matters are now under consideration, he will be able to report to the house.

PUBLIC SERVICE

GLASSCO COMMISSION—RESPONSIBILITY FOR DEALING WITH RECOMMENDATIONS

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I would like to direct a question to the right hon. Prime Minister and ask whether the task of dealing with the recommendations of the Glassco report has been assigned to one minister of the crown and, if so, which one?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, every minister of the crown is concerned with the study and, where appropriate, changes made, arising out of the recommendations of the Glassco report. The President of the Privy Council has been given the responsibility of co-ordinating this work among other ministers taking special responsibility in this matter.

INDUSTRY

AUTOMOBILES—INQUIRY AS TO RECOMMENDATIONS OF ROYAL COMMISSION

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I do not know whether to direct this question to the Minister of Finance or the minister from Windsor, but the question is, what are the government's intentions regarding the recommendations of the Bladen report on the automobile industry?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, the government's intentions in connection with the Bladen report, and all other reports of that kind, will be made known at the appropriate time.

PENSIONS

INQUIRY AS TO INTRODUCTION OF CONTRIBUTORY SYSTEM

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare. Can the minister say whether the legislation regarding contributory pensions will be introduced at an early date, and whether it will provide for an immediate increase in the amount paid under the present old age pension legislation?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, I am glad to note the hon. member is so interested in our new legislation, but I ask him to contain himself for just a little while so that he may see the bill.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Friday, May 17, consideration of the motion of Miss Pauline Jewett for an address to His Excellency the Administrator in reply to his speech at the opening of the session.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, my first words must be to express the hope that His Excellency the Governor General will continue to improve in health so that he may soon again be able to discharge fully the duties and responsibilities of his office, which he has done with such distinction and honour during the period of his office.

I also wish to convey to you, sir, with the greatest deference my hope—and it is one which has been supported by the experience hon. members of the house have had during the period you were chairman of the public accounts committee—that in the discharge of your responsibilities you will carry them out, as we know you will, with fairness, with ability and, above all, with that integrity for which you have always been noted by hon. members of this chamber.

Next I want to do something that is not perfunctory in any way, and that is to extend my congratulations to the hon. member for Northumberland (Miss Jewett) for the manner in which she discharged her duties—and they are trying duties—in the making of a maiden speech. I also extend my congratulations to the seconder. Both are new members of the house and performed so creditably that I am sure in the months and years ahead their contributions to the public life of Canada will be in keeping with those whom they succeeded, with Harry Bradley in Northumberland, and with my longtime friend, the Hon. Raymond O'Hurley in the constituency of Lotbiniere.

At the opening of every new parliament it is always interesting to see the new members who come into the house. Without the infusion of new and able members the house tends to become more or less static. It lacks

that enthusiasm and that idealism which new members bring to the thinking and the general conduct of this chamber. I welcome too the new ministers of the crown and also those who have fringe benefits in the position of parliamentary secretaries. To each and every one of them I extend my congratulations. I have been somewhat surprised, however, by some of the recent events that brought about seniority within the government of Canada. All of us who have known the Secretary of State for External Affairs (Mr. Martin) for so long hoped he would have been in a position second only to the Prime Minister. As I suggested the other day, possibly in the light of retrospect of recent events, if he had only followed the course taken by the Minister of Justice (Mr. Chevrier) in leaving his province of Ontario and departing for Quebec, his seniority might thereby have been assured in a manner which would have been appreciated by hon. members of this house. The Minister of National Defence (Mr. Hellyer) shakes his head. I have here, but I am not going to waste them on him, some of the clippings in this connection in which reference was made along the line I have just mentioned.

To the Prime Minister (Mr. Pearson) I extend congratulations—I have already done so—on his achievement of this high office. At the same time I extend to him warmest felicitations on the honour that has come to him in becoming a member of Her Majesty's privy council, one of the greatest honours that can come to anyone within the commonwealth.

I hope this parliament will be an effective one. I hope no action will be taken by any member to degrade in any way this institution. I can assure the government that there will be no repetition of those things that took place last December, when from one end of Canada to the other there was condemnation against the opposition of that day for their attitude and action in refusing to allow the prime minister of Canada to speak in this chamber. The attitude of this party will be to do everything it can to make strong and effective its contribution to the bettering of the welfare of our country.

There are great problems to be faced. We shall criticize in a spirit of constructive fairness. Whatever practical knowledge and experience we have will be made available so that we may do our part to contribute to the economic and social welfare and prosperity of Canada. I do not intend to be very critical. I am not going to relive the days of the election or the events of last year, excepting in so far as those things will have to be referred to as a basis for argument. I do say this, though, that as a result of the election—

while, naturally, it did not turn out as we had hoped—the Conservative party has a stronger opposition today than at any time in all its history since 1867, with the one exception of 1925. I say, sir, with the utmost sincerity, that I believe, in the light of subsequent events, the policies that were advanced will be vindicated in the thinking of the Canadian parliament.

I am glad there is going to be some action taken in regard to making parliament more effective. I think we will have to give consideration to the shortening of the period between the date the writs are issued and the holding of the election. I think now, having regard to the events that have taken place, the technological and transportation advances, we might even consider shortening the period to five or six weeks. That could be done, provided a permanent voters list is set up.

I think, too, we should give consideration to restricting the amount of expenditure that can be made by any candidate in an election campaign, for otherwise potentially good members are denied membership because of lack of financial assistance. I believe that expenditures will have to be limited if democracy is to be preserved within our country. I betray no secret when I say that the tremendous amounts available to the Liberal party in the recent election leads one to ask whence came those contributions. Wherever they came from, I want to emphasize once more the need of action being taken to prevent the ever mounting increase in the costs that are incident to elections.

Having made those few general remarks, I come now to the 60 days of decision. That is a most interesting expression, borrowed from President Kennedy, with the deletion of 40 days. President Kennedy thought it would take 100 days. The Liberal party decided on 60 so that they would not, according to those in the press gallery who know, be charged with political plagiarism. Sir, I too, read a book the other day about 60 days, 60 days of disaster in 1914, when a great tragedy followed from false optimism.

Today we live in this period; we are still in the 60 days, although the government is starting to recede from that. They do not like an attitude on the part of anyone of directing the attention of the people to the particular inning we are in. There have been some errors and few hits in the past 30 days. But we are in the beginning of the golden age of miracles, these 60 days, with generalities made brilliant by propaganda stardust, by splashes in the press and public relations gimmicks. It has been

very interesting to follow the course of events. Only the other day the Ottawa *Journal* said:

> With one fourth or more of these now famous days of decision passed, the only thing Mr. Pearson seems to have decided is that we must not expect him to be deciding in so little time.

It has been most interesting. I am not going over these days; the opportunity will come on another occasion to outline them in some detail. But the Liberal party have learned a lot; they have changed a lot. Some of the policies of a few months ago have been altered in these days of decision. Within 20 days the 60 days had become shifty days. It is most interesting to follow the course of events, for in the light of responsibility the promises which were made in 1962 and 1963 have in many cases been found impossible of application. As far as the Minister of Agriculture (Mr. Hays) is concerned, some mention was made of him the other day and the question was asked whether he was the senior or the junior minister. Well, during the election campaign an announcement was made by the Prime Minister that there would be a Minister of Agriculture and an Associate Minister of Agriculture. However, in the light of experience, in the light of the search on the part of the Liberal party for biculturalism and bilingualism, these ministers are now to be co-equals and equals. Indeed, as far as the hon. member for Richelieu-Vercheres (Mr. Cardin) is concerned, he would not be in the cabinet at all if the promise made by the Prime Minister had actually been carried into effect that the portfolio should be abolished as one without responsibility. I am pointing out that in the light of experience the responsibilities of office do change the thinking of those who take office.

Now I read in the *Financial Post* of April 27 a statement that those who expect miracles from the new government are bound to be disappointed. The article goes on to say that our basic problems were created neither by the Diefenbaker regime nor by the previous Liberal regimes—so we are both cleared there. They were created, it says, by the exigencies of our history and brought to a head by economic developments in Canada, in the United States and in the whole Atlantic community during the two decades since the war. The article then goes on to deal with a subject about which we have heard much from the Minister of Finance (Mr. Gordon). That hon. gentleman did not regard it as anti-American to advocate over and over again the need to assure control by Canada of her economic destiny. That has been the purport of his argument ever since he had the honour of being the head of a commission. Indeed, it says in this article to which I have been referring that the problems of manufacture and of United States ownership are the heart of our present difficulties. They determine our potential for economic growth; they limit our capacity for creating new jobs.

I intend to deal with the particular plan the government has in mind—the plan to set up a board whose purpose it will be to interest Canadians in buying Canadian stocks, to take over United States companies and to ensure that the ownership of our resources in Canada shall be guaranteed to Canadians as far as this can be done. Well, with $23 billions of foreign investment in Canada, if this proposed corporation is to be effective it would mean an addition to Canada's national debt beyond anything one can contemplate today.

What about the speech from the throne? All of us were led to await it in anxious expectation. What a document was going to be produced when that group of brains over there, coupled with other brains, was to bring forth the salvation of Canada, with the assistance of the Secretary of State (Mr. Pickersgill) as general factotum bringing them together. We expected tremendous things. I intend to deal with this speech from the throne, because in every part of Canada there is national disappointment. It is full of platitudes spaced out among economic generalities which indicate that the planners and the bureaucrats know best. Certainly, it is a new world they are going to take us to—one which they have criticized for many years; one in which all-powerful boards will be set up. I shall make reference to that later. All around us will be boards. The Atlantic development board will have $100 million made available to it. Its membership will be increased from five to eleven. The explanation put forward is that this is being done to strengthen the board. But it is perfectly obvious that the real reason for the increase in numbers is to assure that those whom we appointed to office will thereby be removed. That is the purpose. That is the aim of this alteration to be made in the bill, whenever it may be introduced.

As far as the budget is concerned, we have to wait for that now. Rumour has it that it will be introduced immediately after the speech from the throne. Rumour has it—and it is usually well authenticated—that there is a possibility there will be a baby budget followed by a real budget later. Oh, it is interesting to watch these planners. Certainly planning is necessary. But planning which turns over the government of Canada to any group of men without control, making available to them a sum of money to the extent of $100 million, is another matter altogether. Unless there is control by parliament we have

taken a step which no other government, provincial or federal, has ever taken in this country. As a matter of fact, in 1957 the then leader of the C.C.F. party, Mr. Coldwell, moved an amendment which called upon the government to give immediate effect to the social and economic planning necessary to cope with certain problems. The amendment set out what those problems were—inflation, rapidly rising unemployment and other serious matters. Each and every member of the Liberal party at that time voted against the amendment. The speech from the throne indicates that today a new kind of philosophic and theoretical planning has become the essential program of the Liberal party, the theme being that the government knows best. If carried into effect by one or two of the ministers sitting over there—and by one who would have been a member but for the fact that the leader of the New Democratic party was successful in that constituency—the philosophy of hon. gentlemen opposite is a philosophy of planning, a philosophy of placing control in the hands of a few bureaucratic individuals who, unless circumscribed by protective measures in the legislation, will bring about in our country government by a bureaucratic autocracy.

It is most interesting to see these developments. What are the promises which were made? We know, now, that there is to be a dominion-provincial conference. The reason we know that, and knew it when we came here today, is because it was announced outside the House of Commons by Premier Robichaud on Friday last. Where is the plan announced by the Minister of Northern Affairs and National Resources (Mr. Laing)? He went to Vancouver and announced that great plan on behalf of this government. Ten thousand scholarships were going to be brought into effect at once. He said there was a tremendous plan to assist in relieving unemployment. Is that going to be brought in? Has there been any consent from, or consultation with, any of the provinces yet? Has the premier of Quebec agreed to this?

What of the promises in 1962 and 1963 on the part of the Prime Minister in respect of all of these programs? These joint programs were going to be done away with. They were dangerous to confederation. They were going to be removed. Yet in the face of that promise we now have on the part of the minister of northern affairs a complete recital of a new plan. I ask, has that received the approval, the consent, the consideration of any of the provinces?

Then they were going to abolish these joint plans. An amendment is being brought in to the Trans-Canada Highway Act whereby, according to statements in the press, 90 per cent of the cost will be made available by the federal government. Premier Robichaud dealt with that. Is this the way in which the government that mocked joint planning, and which is now in a position to implement it, is carrying out their promise?

Then there was the medicare plan. What language was used in Saskatchewan against that plan. Has the Liberal leader in Saskatchewan been consulted in this connection? He said that there was nothing more dangerous than the medicare plan. What has happened to that? Mr. Kent is reported to have said that this would be one of those things to be introduced within 60 days. Of course, Mr. Kent is "up above". The others are "down below". I ask, what of the medicare plan? What of the plan to assist portable pensions? These were all matters which were discussed. These were matters of instant moment. We in this party came out in favour of action in this regard. We believe it is necessary that the federal parliament pass the necessary complementary legislation so that this proposal respecting a pension may be made effective in cases in which the provinces, under their own jurisdiction, have brought this plan into effect. I ask, what of these things? I believe that action must be taken along this line.

I am glad to see that those opposite today believe in technical training and the expansion of technical schools. The hon. member for Ontario (Mr. Starr), when minister of labour, brought this question before the house. We brought into effect one of the greatest plans of expansion of technical education in Canada to be found anywhere in the western world. As a result of that action $300 million is being made available to the provinces. Some 135,000 young Canadians will receive training each year. This is to be expanded. I should like the Prime Minister to give some indication as to his plans when he speaks, and whether he means to put flesh and blood on the skeleton of the promises which were made.

What about university assistance, aside from the scholarship plan? We were criticized very harshly, even though we were able to arrive at a plan acceptable to the province of Quebec, for extending the amount of assistance to universities by raising the amount from $1 to $1.50 and then $2. What is going to be done about that? It was said during the election that this matter would receive attention. The minister of northern affairs apparently placed some credence in those promises. I should like to ask the Prime Minister to indicate now what is going to be done. Has he received permission? Has he received consent? What provinces have been consulted?

Then in order to assure that the youth of our country can carry on, what is going to be done in respect of the important matter of family allowances, of extending their applicability to youths up to 18 years of age who are attending school? What action is being taken in this regard?

We had a complete unveiling of the speech from the throne from the Minister of Trade and Commerce (Mr. Sharp) when he spoke in Toronto a few weeks ago. What is going to be done in face of what now appears in the speech from the throne? There is nothing in the speech effectively to meet the problems we face, nor indeed to maintain the tremendous rate of economic growth in Canada which took place in 1962, and which is still continuing.

What of agriculture? The government are going to bifurcate the department. East is east and west is west, and only the twain shall meet in cabinet. What an idea. A problem which is facing all parts of Canada is to be divided. It was never originally intended that the heir to the eastern throne would be a co-equal, an hon. minister without portfolio. But this has now been changed; they are going to be equal. Who is to decide? Who is going to be the auctioneer when it comes to deciding the problems regarding the agricultural rights of eastern and western Canada? Where is assistance for agriculture? Have the government forgotten this? I can find nothing except generality in the speech from the throne. I find nothing of new programs promised to make farming as a whole more stable. I find nothing to provide expanding markets. Special attention was to be given to dairy products. We were ridiculed and reviled about our policy regarding dairy products, and now in office hon. gentlemen opposite adopt our plans and carry them on. Do they or do they not agree that it is necessary to expand credit for agricultural export sales? Do they or do they not agree on the need for a special feed grain and storage assistance plan for the eastern farmers? Do they or do they not agree that the promotion of better land use and conservation through ARDA should be followed? Do they or do they not agree that surplus products should be made available to support the world food bank? These are things that we would like to know about. But read the speech from the throne. It is noted for its brevity; it is equally noted for the paucity of the policies it contains.

What about economy? I spoke with admiration of the speech of the hon. member for Northumberland (Miss Jewett). She spoke with facility and ease. She had greater faith in those sitting opposite than, as will be understood, is shared by us. But she did speak of the need of getting the economy moving. That is one of the brighter examples of Liberal mythology—getting the economy moving. I intend to refer in general to what has been done, the actions we took for which we were ridiculed and the effect on the Canadian economy of the course we followed, so as to answer once and for all that spurious argument.

The Liberals inherited a buoyant economy. On the basis of what we did and the action taken the economy has remained buoyant and there has been an advance in the economy not equalled anywhere else in the western world. They speak of getting the economy going. Well, Mr. Arthur J. R. Smith, director of research for the Canadian-American committee, speaking in the city of Toronto on April 27, said: "The task of the new Liberal administration would be not to get the economy moving but to keep it moving".

I might point out what the situation was when we came into office. It was well summarized by the Prime Minister (Mr. Pearson), speaking in the house in 1957, when he said that we claimed to have inherited declining revenues, and that was right; a shrinking national income, and that was the situation; a deteriorating economy, and that was a fact; and an arrested national development and foreign markets going or gone. That was the picture in 1957. In every part of the western world since there has been one serious recession and one lesser recession.

All through the piece one of those who said that the economy was moving forward very well was the president of the council. I have his address in that connection in which he pointed out that the economy was moving ahead very well in the summer of 1962, while at the same time in every part of Canada a doleful dirge was being sung playing down Canada's economic position. And today they pretend they have taken over a broken down Canadian economy. Sir, that kind of action is a despicable exercise in political deception endeavouring to lead the people to believe that the country has been slipping back. This is a myth, a myth resulting from a philosophy of undiluted despair.

I am going to review the situation in the country shortly to point out what the Liberals inherited when they took office, in order to answer these allegations that are so generously made without foundation and without being based on fact. Liberal despair over the Canadian economy has run into a flood of optimistic items in the financial pages of the press. Here are some of the recent headlines: Montreal *Star*, "Steel Climbs To

New Highs"; *Financial Post*, "Canadians Will Run Up Record Tourist Mileage All 1963 Signs Indicate". The hon. member for Brandon-Souris (Mr. Dinsdale), as the former minister in charge brought about the expansion of tourist development during our period of office. It increased to such an extent as a result of our action in pegging the dollar that in 1962 we had the lowest deficit for many years in tourist expenditures.

Here are other headlines: *Financial Post*, "Liberals Riding Upturn"; Toronto *Telegram*, "1962 Best Year On Record Possible". The Toronto *Star* refers to the tremendous expansion in automobile production and in employment in connection with it. Here is one in the *Globe and Mail*: "Predict 1963 Record In Chemical Sales".

Canada's economy has enjoyed a high plateau of achievement ever since the upturn registered early in 1962. If the problems were so easy to meet why were they not met in the United States? I remember the promises of 1960, the new frontier and what was going to be brought about. What about meeting unemployment there? Look at the record and you will find that we in Canada have done better than has been done in the United States in meeting a problem that has always been serious in our country by reason of climatic conditions.

Sir, the steel industry is a sound basis for Canada's economic progress. It is advancing as never before. An economy that was supposed to be receding has exceeded the forecasts of the Minister of Finance (Mr. Gordon) when in 1956 or 1957 he, as head of a commission, produced a report forecasting the future. Last year was the greatest in steelmaking history. Production was up 10 per cent and home market saturation around 87 per cent. Exports exceeded imports for the first time. Already Canadian steel exports appear to be running ahead of the Gordon commission's forecast of 12 million tons by 1980.

And so on. I could mention various industries and the expansion that has taken place. While the Liberals ridiculed we worked to bring about policies to strengthen the economy. In December, 1962, the London *Economist* reported that Canada had outstripped every other nation in the world in the rate of economic growth. I want to pause here and say that with the kind of policies announced in the speech from the throne the expansion this year will not equal the expansion that took place last year compared with the preceding one. I make that prophecy on the basis of the uncertainty of the nebulous promises contained in the speech from the throne.

[Mr. Diefenbaker.]

The gross national product was over 8 per cent higher by value last year than in 1961. Again I point out the prophecy that was made by the Minister of Finance when he was a commissioner in regard to gross national product. Employment was higher month by month in 1962 than in 1961.

The latest figures show that 90,000 more Canadians were employed in April 1963 than in April 1962. This is the fourth month in a row in which unemployment has been lower than in the corresponding month of the year before. Labour income exceeds the 1961 figure by 6.8 per cent, and this is a new record. While we did not have the support of big business in many areas or in many fields of industry, corporate profits in 1962 were 12 per cent higher than in 1961. It is well known that without profits there are no jobs.

Foreign trade reached an all-time high in 1962. An unprecedented increase occurred in exports and in that year there was a surplus of $155 million in exports over imports. When we took office what was the position of those giants of intellect that today occupy the front benches? What was the position when we took office? Well, in 1956 there was a trade deficit of $713 million. Those were the halcyon days. We brought about a surplus in 1961 and 1962 when the challenge to our trade in every part of the world was infinitely greater than it had been following the war.

Mineral output was up 10 per cent during 1961 and there was a record production of nickel, copper, asbestos, crude petroleum and natural gas. What about the developments in western Canada in connection with oil? Markets were found in the United States and kept, as a result of which there was a tremendous expansion unequalled in the history of the petroleum industry. The construction of new residences was 8 per cent higher in 1962 than in 1961. Business investment in non-residential construction, machinery and equipment rose 4 per cent in 1962.

Sir, I place these figures on the record in order to answer the sham arguments that were advanced, and effectively advanced by those who today speak for the government of this country. Canada has never enjoyed a sounder business climate than that reflected in the 1962 figures which showed higher consumer spending, restocking of industry and general progress. Do you remember, sir, how they ridiculed us when we pegged the dollar? They said it was a frightful thing to do, and Canada would be bankrupt. They filled Canada with counterfeit dollars on the back of which they indicated there would be a tremendous increase in prices. They knew better than that. The high priest and prophet of

finance of that party, himself, advocated the pegging of the dollar several years ago, yet all through the 1962 campaign they dealt with arguments that they knew were baseless. This policy elevated the Canadian economy to the plateau it achieved. I ask them, then, are they going to remove the peg?

We introduced surcharges in order to meet a situation similar to the one which had occurred in 1947 when the economy was expanding. They criticized us for removing all these surcharges on March 31. We undertook to remove them as soon as it would be proper to do so, and that was the end of the fiscal year. We removed them, and thereby brought to our country new confidence in financial circles in every part of the world.

Now, sir, what about the halcyon days of 1956, the last year they were in office? Well, the gross national production has gone up 32.74 per cent since; labour income 36.7 per cent; personal income 40.7 per cent. During our period in office we were able to keep in check inflation which is the thief of economic progress. I am not going to go farther into that because other hon. members will deal with other phases. However, I should like to point out that only a couple of days ago the Canadian National Railways reported that their financial position showed improvement by $18.2 million over the previous year and that Canadian National operating revenues were up $28 million over 1961. Sir, we left the Canadian house in good economic order.

In this party we have, throughout the years, from its beginnings advocated the need for maintaining and preserving Canada's integrity as a nation. There have been two particular policies that this party has followed throughout the years. One of them has been the maintenance on the north half of the North American continent of a free and independent Canada. In the days of Macdonald, on two occasions he fought battles for the maintenance of that principle. We followed it throughout the years. They charged us with being anti-American because we took a stand on behalf of Canada and her rights. I have no apologies to offer now or in the years ahead for that stand, which will be proven right. Never before, though, was there as much interference by certain elements in the United States in a Canadian election.

We had the closest of relationships with the United States. Only the other day the former president, General Eisenhower, that great American and great leader of men, said that we had no differences that could not be solved. We were able to get together. There was no interference on the part of either side. I say, sir, that we have a right to declare our policies for Canada and to determine them without dictation. I am going to refer to one policy and ask what is the position today in that connection.

A nation cannot survive if it becomes a satellite. Those are not my words. Those are the words of one of those who occupy the treasury benches today. Were we anti-American? What did the Minister of Trade and Commerce (Mr. Sharp) say? It is surprising how things said by them turn out to be pro-Canadian, but if we say the same thing we are dangerous to the unity of the western world. Let me read some excerpts from a speech given by the Minister of Trade and Commerce at Windsor on November 9, 1962. "Can Canada preserve a separate identity beside the United States," was the topic for discussion.

> As some of my friends have remarked, however, I have much to learn about politics, and one of the things I find most difficult to learn is always to play it safe.

He proved that in London a few days ago when he took his stand against the commonwealth. I will refer to that in a moment.

Then he went on to say this, that we need not fear the commission of a sexual offence or even an offer of marriage from the United States.

Then he said this:

> I suggest however, that we are in danger of losing the essentials of nationhood and perhaps our will to survive as a nation.

This is the man who today is Minister of Trade and Commerce in this government. He asked:

> Can anything be done about it?

Then he went on to say:

> —the key to the preservation of our separate identity is not so much to resist American penetration as to reduce and minimize our dependence on American money, ideas and culture.

Is that anti-American or not? Quote me as ever having gone that far. Then he went on to say this:

> We shall have to begin to regain control of our own destiny.

I had better read the whole of it or they will say I left something out.

> The remedy for this dependence is not to raise barriers against the capital inflow but to order our internal affairs that our international accounts are brought into balance, that is, to learn to live within our means. When that happens we shall begin to regain control of our own destiny.

What does that mean—that we have lost it? Then he said:

> Then and only then can we hope to bring the process of alienation of ownership and control of Canadian industry to a stop.

Then he said this:

> We should not be dependant upon foreign capital to maintain a healthy rate of economic growth

any more than we should be dependant on United States magazines and T.V. for information and opinions.

When I speak about television, Mr. Speaker, I am reminded of the fact that United States television stations on the west coast and generally across western Canada on election night were broadcasting into Canada the results in the Atlantic provinces before the polls were closed in western Canada.

Then he mentioned the trading union involving only Canada and the United States, and said that the decision about easier tariffs in the beginning would be made in Washington and in the interests of the chief party, and added:

I find it difficult to believe there could be free trade between Canada and the United States in agricultural commodities... You will understand from these remarks, Mr. Chairman, why I said at the outset that we shall be able to preserve our separate identity as a nation if we believe strongly enough in ourselves and are prepared to pay the price of remaining separate and distinct from our great neighbour.

Who said that? The now Minister of Trade and Commerce and, sir, he went on:

By any standards Canada is a very fortunate country and if we lose our separate identity it will not be because we lack the means to sustain our Canadian way of life. It will be because we do not make the effort.

Sir, that was the stand we took. In order to have some control over our resources we brought in effective measures governing our mines, oils and gas located in territories under our control, and one of those regulations stipulated that 50 per cent of the equity stock in companies exploiting those areas should be made available in Canada. Now I ask the Prime Minister to tell us, when he replies, whether there is any foundation for the suggestion presently widespread that that regulation is going to be changed? I ask that because everywhere we hear it said that there are going to be changes in this.

I shall pass on to the international situation mainly for the purpose of asking a number of questions of the Prime Minister.

The NATO conference will be convened here this week. The former government invited the NATO nations here and the invitation was accepted. Union within this group of nations must be maintained. However, I must say I was somewhat astonished, when I asked the Prime Minister the question regarding Canada's ideas respecting the multilateral force, that he could not give me a reply. That was on Friday last, and in effect he said we have to wait until the meeting of the NATO nations. Is that not what I said all through the campaign?

I read press reports pretty carefully and just the other day I read where the Prime Minister spoke to a newsman in the United States. This is one story which he has not yet denied. I am just paraphrasing his words and if I misquote him I will be glad to make a correction, but what he said was that it is so much easier to say what you would do in international affairs when you read about them in newspapers than when you have available to you the information that comes from the various embassies maintained by the country.

This week's NATO meeting is an important one. At it there will be material discussions on the problems of defence; yet when I asked the Prime Minister what is Canada's view he said, "We cannot tell you that." They have not yet made up their minds and they will not be able to make them up until they sit down with these other nations. Did he not, when talking to Mr. Kennedy, discuss Canada's attitude in this regard? It said so in the papers. I do not know whether that has been denied but it is about the only thing the Prime Minister has not denied, except that he possesses the qualities that Jayne Mansfield ascribed to him.

If Canada is not going to fall in line with the views of the United States in this, should we not know? Is the course going to be determined by Canada as to the stand we will take? I ask should such a force be set up? The arguments generally have revolved around the fact that if it is acceptable it will deny Germany having atomic weapons for itself. It will assure a greater degree of unity in the western world by preventing France and Germany from having a joint deterrent force.

What of the mixed crews? Is Canada going to contribute to that idea? The Prime Minister said he thought he might be in a position to answer today and I hope he will be able to give us some idea as to what stand will be taken on the morrow regarding a question so important.

Today's press indicates that for now the United States has abandoned the multilateral nuclear force proposed for NATO. Is that correct? I ask these questions not for the purpose of dealing on this occasion with defence. That subject will be fully dealt with when action is being taken to set up the defence committee, but I ask them simply so that we will know in this country what attitude Canada will take at the NATO meeting.

I should also like to ask the Prime Minister what Canada's stand will be in connection with the maintenance of the United Nations. Today the United Nations faces the most serious fiscal worries of its time; $106 million is owing in assessments. If action is taken to exclude members then, of course, you have the beginnings of the end of this institution.

On the other hand there must be some action that can be taken to provide for the peacekeeping assessments being paid. Today more than 60 per cent of those in default, as I recall it, are the Soviet bloc and France. What is going to be done in this connection? What ideas has Canada in this regard? How can that institution continue to discharge its tremendous power for good and for peace in the world if its membership, or any of its members, refuse to pay the costs of belonging to that institution, without which there cannot be the hope of peace in the world?

I express the hope, in welcoming to Ottawa on behalf not only of the opposition but, I am sure, all Canadians, the NATO ministerial conference, that out of this conference will come a strengthening of the ties of NATO. In recent months, as a result of things taking place in Europe, there has been shown a weakening of the cement that binds that institution together. Without it there is no survival. Therefore a great challenge faces those who represent the several member countries to do their best at this conference.

I mentioned a moment ago that I would like to find out about something that is also omitted from the speech from the throne. Today an answer was given to the effect that the matter was being considered. Does the house remember how through the years they said to us, "You should get into the organization of American states. That will be the salvation of Canada. It will bring us closer to our friends in south and central America". I believe in close relations with them. The government of which I had the honour to be head extended to a very great degree the diplomatic posts in South America. I am frank when I tell you that I felt at one time it was a course that had an impelling demand to be followed by us. But events changed that. What is being done about it now? Today the Secretary of State for External Affairs (Mr. Martin) was his evasive best; when he was asked about this he seemed to be getting away from it. Have the government not decided their course in this regard? The Prime Minister over and over again said we should get into that organization, that it would mean a great deal in the influence we would have. I wonder. What about the present difficulties in Haiti? What about other events that have occurred recently? They have said it might improve our trade. We want to expand our trade.

The Prime Minister was reported by the Boston *Globe* as having said that Canada would announce plans to join the organization of American states. The Prime Minister denied that afterwards, but it is interesting that the question should find its way into a United States newspaper. I ask the government, what is your decision in this regard? This was something upon which President Kennedy gave us advice. Standing over there, speaking in this chamber, he told us this was something we ought to do. Sir, we heard that during our term of office. We believed it was not something we should rush into, whether asked for by a friendly neighbour or not. We were pressed—some interpreted it as pushed—to get into this organization. The Prime Minister has been an advocate of this. I ask him now, why was there no mention of it in the speech from the throne? Has the enthusiasm of five years been dissipated in the experience of 25 or 30 days of decision? Has the Prime Minister found it easier to declare than to perform?

Indeed, there must be some basis for this newspaper report, because Mr. Charles Lynch said in the Ottawa *Citizen* of April 11, "Canada now to join O.A.S." He went on to say:

> This view was put forward forcibly by Paul Martin in his role as Liberal foreign affairs critic . . . Liberal leader Pearson is known to favour O.A.S. membership for Canada . . .

What are they going to do in this regard? They do not want my view, naturally, but I give it for what it is worth. It is pretty well summed up by an editorial in the *Financial Post*, to which I shall refer only in a general way. Summarized, it is this:

> Despite President Kennedy's blandishments, Canada's reasons for staying out of the organization of American states look as good as they ever were—and perhaps better.

Then the article says:

> There is no contribution to hemispheric peace and welfare that we can possibly make as a member of O.A.S. that we can't make as a non-member. And in some cases non-membership can be a positive advantage.
>
> It is quite understandable that President Kennedy wants more votes for his side in the O.A.S. He wants us to come in so we will vote with him the way other satellites like Byelorussia or Bulgaria vote with the Soviet union in the United Nations . . .
>
> As a member of O.A.S., Canada would everywhere be regarded as accepting a cat's-paw role for the United States.

I am not adopting those statements; I am simply saying that the *Financial Post* holds that view. What is the view today of the government of Canada? Was it omitted from the speech from the throne because of the effect of sober second thought?

I mentioned the commonwealth a moment ago. This party through the years has been a strong commonwealth party. We believed in the necessity of preserving this institution, though it has no authority, there are no agreements among its members excepting the trade agreements and it is held together without seal. But to be a member of that organization and to be present at a prime ministers' conference is to realize the strength it exerts for peace and its preservation. Yet

it is being downgraded in some parts of the world. Dean Acheson, who is high in the administration of the United States, early in the year relegated Britain and the commonwealth to a "has been" position, the commonwealth by inference and Britain directly. The Right Hon. Selwyn Lloyd spoke these words in referring to that statement:

> Mr. Acheson's statement was as damaging to the commonwealth as any I have ever read from either side of the iron curtain.

There was a meeting last week in London.

How they ridiculed us, when they were in opposition, when I suggested a meeting of the trade ministers of the commonwealth in London before the Geneva meeting. They laughed at the suggestion. Now, the stone they rejected in the House of Commons has become the cornerstone of their policy. They ridiculed the idea I placed before the prime ministers' conference last September. I do not intend to quote what they or their supporting press had to say. They said the proposal to convene a meeting of the commonwealth, of the European common market, of representatives of the United States, Japan and other like-minded nations was an ephemeral dream. They said it was worthless. Worse than that, they said that in advocating it I had lost standing for Canada among the nations of the commonwealth. Well, a little later on, after the President of the United States had secured his trade powers, I brought the suggestion to his attention. I shall not repeat what he said but I ask hon. members to read *Hansard*. I placed the suggestion before him and he accepted it and said he would join with Canada in taking the initiative. Out of that has come this meeting of these nations in Geneva which holds hope for all mankind, in the western world in any event, for the reduction of trade barriers between nations. However, that did not in any way close out the commonwealth.

Now let me say this: without discussion in parliament but in keeping with the views expressed by the Liberal party over and over again, when this matter came before the conference in London a stand was taken on which I intend to comment now. I intend simply to use comment which has appeared in various newspapers to support what I have to say. The Toronto *Telegram* said the Minister of Trade and Commerce (Mr. Sharp) had tossed a blockbuster into the conference.

> Canada's new trade minister, Mitchell Sharp, tossed a blockbuster into today's conference of 16 commonwealth ministers by giving blunt warning that the Liberal government was writing off the commonwealth as a trading group.

Some hon. Members: Shame.

[Mr. Diefenbaker.]

Mr. Diefenbaker: When I mentioned this a moment ago there were jeers from over there. Let me read on.

> He declared he had no suggestions on commonwealth trade to put before the two-day economic review.

Does that mean we are going to remove those preferences which we have—preferences which have stood the test of time and which have over and over again been a stumbling block among other nations? Let me go on to quote another statement from the Toronto *Star*. Both these newspapers, by the way, are not noted for being our supporters at this time. The *Star* says: "Sharp Rejects Commonwealth Trade Pact". I point out that there was no suggestion of an exclusive pact. It was a general agreement among the trading nations of the commonwealth. To read on:

> The political commonwealth, yes. The economic commonwealth, no. Trade minister Mitchell Sharp yesterday set Canada's face firmly against all proposals to rebuild the British commonwealth as an exclusive trading or economic bloc.

I go on from there. The Toronto *Telegram* of May 13 carried a headline: "Sharp Erases the 'Family' As Trade Unit". And so on. I could give the house various quotations. For instance, the Toronto *Globe and Mail* reported: "Sharp Firmly Rejects Proposal for GATT Commonwealth Bloc". Finally, the day after, the *Star* has a story headed: "Sharp Answers U.K. Critics; Says He's No Trade Villain".

I say this: no one asked that this be made an exclusive body. But is there any reason why we, within the greater amplitude of GATT, to which members of the government whose head I had the honour to be gave their support and leadership, there should not be consideration given to the expansion of trade within the commonwealth? That is our view. That has been the view of the Conservative party throughout the years. It is not a backward-looking view, because the commonwealth has in it inherently a power in the future for good as in the past which demands its preservation, its expansion and its strengthening.

In the speech from the throne there is surprisingly little about dominion-provincial relations. I shall not take the trouble to quote exactly what it says. It is beautifully general. It says that as Canadians we can now work with hope. Then it goes on to deal with biculturalism, and says:

> To make us a more united people, the government will in all things strive to strengthen and to give new direction to our Canadian confederation. It will foster the spirit of co-operative federalism—

That sounds suspiciously like the words of the President of the Privy Council (Mr. Lamontagne) in his immortal book on the federal system back in 1954.

—fully respecting the rights of the provinces while safeguarding and extending the equality of opportunity which properly belongs to all Canadians in all parts of our country.

Well, I should like to look into that for a moment. I should like to ask the Prime Minister (Mr. Pearson) this question: did he promise Mr. Lesage, the premier of Quebec, directly or indirectly, that he would bring about a new plan for sharing corporation taxation, personal income tax and estate tax? It is interesting to note the attitude of hon. members opposite in this connection. When Mr. Lesage was a member of the government, along with other distinguished people, Mr. St. Laurent, the Minister of Justice (Mr. Chevrier) and others, 10 per cent of income tax and corporation tax was sufficient. Now, it is 25 per cent of each of them. What undertakings were given? What has been the answer to the ultimatum? I noticed on Friday the Prime Minister said there was no ultimatum. Well, I would simply quote the words of Mr. René Levesque who called them immediate demands and an ultimatum. In other words: "Either you do, or you are out". The Prime Minister said it was not an ultimatum. Mr. Levesque said it was.

I ask the right hon. gentleman now whether he accepts the proposition advanced by Mr. Pierre Laporte that we should build up in Canada during the next few decades a confederation of sovereign states. That is not the concept of Canada, but they are the views which the Minister of Justice (Mr. Chevrier) took with him from Ontario to Quebec when he went there "in exile".

These are very serious matters, and I ask, what is the attitude of this government? What undertakings have been given? I point out this fact, that had we not during the period we were in office increased from 10 to 13 per cent the tax on companies and incomes, added to the amounts being given in the past to the provinces, we would not have had a deficit in any year; but we chose to increase the allowances to the provinces in order to permit them to carry out their constitutional responsibilities. What is going to happen if this new plan is carried into effect? What is going to happen to the promise of hope which we do not hear about any more, that of a balanced budget? That was the first objective. It does not appear in the throne speech any more because this plan, if brought into effect, according to the estimate before me would bring about an increase in the amounts paid to the provinces of $301 million. What is going to be done in this connection? What are the plans for the setting up of a municipal development board? Whatever the amount may be, be it $400 million or what, who is going to determine which municipalities will receive support? Has this in any way been cleared with the provinces?

There is about this, in the general terms as set out in the speech from the throne, great dangers of centralization in the country. That has been the bureaucratic dream since the days of Macdonald—to centralize power. The municipalities are the creation of the provinces. What is the attitude of the provinces, or any of them, in this connection? What about the meeting which is going to be called? Premier Robichaud told us about it. What is going to be the attitude of the federal government in this regard? I suggest that instead of a royal commission being set up, as the government intends, they should do what we suggested in order to meet the problem of reaching a greater unity of understanding and of equalizing opportunities for Canadians: place this matter before a meeting of the provinces; bring together representatives of all four political parties and secure their views; bring them together and take the first major step. If this government is able to attain it, I will salute them for patriating our constitution. We tried it, and but for the action of only two provinces we would have achieved it. You cannot bring about a discussion among various provinces of our national symbols by means of a royal commission. You can do it only through a meeting between the federal government and the provinces so as to secure in a common unity the acceptance of principles. Without this they cannot be brought into effect. That would bring about a concept of a new sense of national purpose and destiny. We did much to ensure that under confederation there should be a recognition of the bicultural nature of the nation as the foundation to the building of a greater unity within our land. This we did. We were unable to bring about agreement on the constitution. I suggest now that if there is a new feeling in the country in this regard, bringing the provinces together would achieve this purpose.

There are many other matters which I could deal with but I do not intend to go further today. The opportunity to be critical will come later. Today I have been constructive, as constructive as possible under the circumstances. I have pointed out that there is very little in the speech from the throne excepting for the fact that certain things which we advanced are again being brought forward under new names. Beyond that, the

imagination which was spoken of so generously and for so long by the former opposition is conspicuously absent.

Let me make a short review. Biculturalism I have already dealt with. The speech says that—

—my ministers will strive to lessen international tensions and halt the arms race by seeking measures of controlled disarmament, including a treaty to end nuclear tests under reasonable safeguards.

We tried to do that for five years. For three years the Hon. Howard Green gave a leadership at the United Nations which brought honour to him.

Then the speech says:

It is my ministers' intention to assist in enhancing the unique value of the commonwealth partnership in international relations.

I cannot understand how it was that when the Prime Minister arrived at Hyannis Port he forgot he had been to Great Britain, because he said: "This is my first visit outside of Canada since I became Prime Minister". His visit to the United Kingdom could not have had a very great effect upon him; or perhaps, in fairness and in frankness, I should say that the new stage was somewhat unsettling.

With regard to trade, the speech says:

Canada will take a constructive part in trade and other economic negotiations.

This will expand Canada's export trade. That is what we did. It was our co-operation with the President of the United States in bringing together like-minded nations which will have this effectual result when the meeting takes place at Geneva. In that connection, a few months ago the Prime Minister was all for the president's plan of a 50 per cent lateral cut in tariffs. It was a great thing—imaginative and bold, he said. I would ask him, is he for it now? I read in the press that he has some doubts. Certainly the Minister of Trade and Commerce has doubts. What is going to happen to us? I ask the Prime Minister this question; I know he has the answer. What will happen to us with the 50 per cent cut between Canada and the United States? Their tariffs are away up high; our tariffs are away down low, the lowest of any country in the world. If they cut theirs by 50 per cent theirs will still be high tariffs, but we will be open to competition the like of which Canada has never suffered before. I ask the Prime Minister, does he still believe in the 50 per cent lateral cut?

At Geneva today, according to press reports, there is agreement among the nations of the European common market in this connection. They realize what is going to happen. They are going to have little or no tariff and the United States is still going to have a very measurable tariff. When you had your discussions with the president did you point out to him that if he were to reduce tariffs on Canadian products to the same extent that we have on American products that would be one of the greatest steps forward in bringing about an expansion of trade between our countries? I would be glad to hear what took place during those meetings at Hyannis Port.

Unemployment will be dealt with by the former minister of labour. Suffice it to say I have already referred to the fact that there has been a great improvement in this regard, and on the basis of our policies we were able to look forward to the day when unemployment would be reduced to a minimum. I think the setting up of a department of industry is a very good idea if it carries out its purposes, to foster industrial expansion and provide a central point to which industry can look for consultation, stimulus and assistance. We did something in this regard. We set up a small business branch. We assisted small business by reducing company income tax and in many other ways endeavoured to encourage it. But if setting up a department of industry will bring about what is stated in the speech from the throne, naturally we are in favour of it.

I have dealt with the amendments to the Atlantic Development Board Act. The measure to establish a Canada development corporation is certainly a tremendous thing. I should like to know who is going to choose which United States companies are to be taken over. Who is going to choose in respect of what companies the individual will be advanced money so that he can purchase stock? I should like to know who is going to take the risk, because there is always a risk. At least, that has been my experience. There was a time when I was interested in stocks but I was never successful in knowing what was going to happen. What are they going to do in this connection? This is what they say:

—a Canadian development corporation, by means of which Canadians can more readily direct their savings—

I think there are approximately $8 billion in the savings banks. That is the figure in my mind. What co-operation are you going to have from the lending institutions and the banks in order to channel those savings in the direction that you desire?

A measure will be placed before you to establish an economic council of Canada, in order to assist the government, industry and labour to develop means of ensuring in Canada the highest possible levels of employment, of efficient production, and of sustained growth—

We had the productivity council which did exceptionally good work in connection with efficient production. We endeavoured to bring

about a national economic development board. We brought the legislation before parliament. On the face of it this measure appears to me to be much the same as what we had in mind, but the opposition of that day and government of today spent six days debating our legislation and preventing it from becoming law. However, we are not going to react in kind. If this legislation when revealed indicates that it is not going to bring about a bureaucratic set-up whereby we will have anything of the bureaucracy that existed between 1945 and 1957, then we will do our part to give it constructive support.

My ministers will pursue constructive policies for the development of Canada's great resources for the benefit of Canadians.

How? When? Where? What? Nobody knows. It is a beautiful generality.

The government will undertake discussions with the government of British Columbia and with the United States, aimed at securing action on the development of the Columbia river.

I noted that the Prime Minister said the other day that he had to clear something with Washington before they could take up the matter with British Columbia. That was most interesting. He has to clear that up.

Mr. Pearson: It is a treaty with the United States signed by you.

Mr. Diefenbaker: But they have got to clear it up.

Mr. Pearson: We certainly do.

Mr. Diefenbaker: Then we have the answer. I am glad the Prime Minister made that interruption. I ask him: What discussions are you having with regard to that treaty? What arrangements have been made for any change in the treaty in any particular? Have you agreed in any way upon any terms in that connection? If you have, we want to know. The very fact that the Prime Minister answered as he did indicates that something has been done in that connection. We will get the truth if we keep at it. I love these interruptions because they always reveal and never conceal.

The government is initiating consultation with the provinces to work out a program for national fishery development. My ministers intend to secure the establishment of a 12-mile limit for the use of the Canadian fisheries—

That is a very laudable objective. They would not have it in the speech from the throne unless they had made some advances in this direction. We were within half a vote of having an international agreement in that connection. We were that close to having an agreement on a 12-mile limit, or six and six, with the nations gathered together in Geneva on two occasions. We have pointed out, however, that unilateral action is dangerous when 80 per cent of our fisheries products are sold in the United States and action taken unilaterally like this might very well lead to retaliation that would have serious economic effects for the fishing industry of Canada. What discussions have there been in this connection? Have you got to a point where there is any agreement within the realm of possibility?

Then there is the comprehensive railway problem with regard to which the speech from the throne says that we will be asked to continue the existing payments to the railways pending the approval of long term measures concerning transportation. You will recall, Mr. Speaker, that when we said there should be a full examination of the MacPherson report the now Minister of Justice (Mr. Chevrier) and then opposition critic on transport had all the answers. He said what could be done. He said, "Go right ahead". We would like to hear some explanation as to the reason why there has been a decision to change the assurance that was given so frequently that this was a problem easily met.

In that connection I do not wish to deal with individual cases. However, when the minister referred this afternoon, in answer to the hon. member for Mackenzie (Mr. Korchinski), in such an offhand manner to the removal of those two trains in western Canada he indicated that he did not have any realization of the serious nature of this action both on a social basis and from the point of view of employment. Even now I ask him to give consideration to using the power which I believe rests with the governor in council to stop this action until a general and comprehensive policy has been worked out.

We come now to the question of contributory pensions. We will be looking forward with interest in this regard. We endeavoured to bring it about. We had the legislation ready but we wanted to provide for survivor benefits and in order to provide for survivor benefits, without which a contributory system will not be very effective, we found that a constitutional amendment was necessary. Has the government decided that we were right in that regard or is it determined to bring into effect a system of contributory pensions without survivor benefits?

Redistribution is referred to. I think this is a most important matter. We brought legislation before the house in the 1961 and 1962 sessions. We had it ready again last fall but we were unable to get the organization set up to secure passage of the legislation. I hope that this matter will be proceeded with and that for all time we will remove the

partisan nature of the redistribution procedures of the past. I would point out in this connection that while representation by population is the objective and the desirable mean toward which we should work, having regard to the widespread nature of this country there can never under our system be equality in population between rural constituencies and urban constituencies. We provided for the determination of the bases for redistribution, and then having determined them allowed for freedom within percentage limits to the end that reasonable consideration would be given to the necessity of assuring that rural members would not be required to have the same population basis as those representing cities.

Then, there is the committee on procedure for the strengthening of parliament. I commend the government in that connection. From year to year steps forward are being made. I have often said, in that connection, that I think this chamber could be reduced in size by almost 50 per cent. You would not have desks here, then. Everybody would not have a seat that each day would be set aside for him or for her. This brings the members closer together, and brings about that relationship which the mother of parliaments has found so necessary to the establishment of a free and conversational style in the general discussion of public affairs. I think we can go a long way in the procedure committee. I should like to see an extension of the hours of sitting. I think we use up a great deal of time with the adjournment at the supper hour. A number of members could be present, as is the case in the United Kingdom, and an opportunity would be given to many members to have their say at that time. There would be an undertaking that no vote would be called during that period. We have so much to do and our sittings are taking longer and longer. We are still back many, many years in many of the procedures of parliament. I will deal with those again. I often brought them up when I had the responsibility of office. However, sir, I found out that tradition and a jealous regard on the part of members for the preservation of their prerogatives denies changes being made which would in any way interfere with rights to a degree that would be unfair to a private member.

In summary, may I say that many of the measures set out in the speech from the throne are simply a rehash of legislation that we had available and before parliament, with the added benefit of having a new name but which, taken together, do not constitute the kind of program which Canadians had hoped for and had reason to expect. Therefore, I move, seconded by the hon. member for Winnipeg South Centre (Mr. Churchill), that the following be added to the address:

> While recognizing that Canada's economic growth during the year 1962 exceeded that of any country in the western world, this house regrets that many of the pledges made by the Prime Minister and his colleagues have not been incorporated in the government's declaration of intention as outlined in the speech from the throne, and further regrets that the policies announced fail to provide full opportunity for the people of Canada to continue the social advance and large economic growth of the past year.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, in rising for the first time to speak in the house from this place I should like to mention that I do so on the official birthday of Her Majesty, our Queen. I should like to express to you, sir, if I may on behalf of all hon. members of the house our appreciation of the fact that you made reference to this fact and that you are conveying to Her Majesty the greetings and loyal good wishes of this house. I should also, Mr. Speaker, wish again to congratulate you on having been chosen by the house for the important and honourable post you now hold, and to echo what the prime minister has said about—

Some hon. Members: Oh, oh.

Mr. Pearson: I was bound to make that mistake, and I am glad that I made it at once. It is not easy, but in this case it is easier than is often the case, to abandon the habits of six years. I should like to echo what the right hon. gentleman, the Leader of the Opposition (Mr. Diefenbaker), said about your qualities which will ensure that you will fulfil this important position with dignity and complete acceptability to all members of the house.

Then, I should like to pay my respects, and I do so in no formal way, and to extend my congratulations to the mover (Miss Jewett) and seconder (Mr. Choquette) of the address in reply to the speech from the throne, for what I thought was the very thoughtful and distinguished way in which they discharged the responsibilities and duties which are never easy but which they made seem to be easy. Perhaps, Mr. Speaker, I may also be permitted to associate myself with the Leader of the Opposition in his gracious observations about His Excellency, the Governor General, and to express the wish of every member of this house for his speedy and complete return to full health so that he may continue to discharge the duties which he has already discharged with such great distinction as the Queen's representative in this country. The Queen, whom we do not forget today of all days, is the Queen of Canada and the head of that commonwealth to which we are

all in this house, irrespective of party affiliations, devoted, and whose usefulness in the world for international peace and security we would like to see enlarged.

I would also like to extend a welcome on behalf of the government to hon. members in all parts of the house, and in particular I think it would be appropriate for me to extend that welcome to the new members who are with us. I did my small best to keep some of them from enjoying the honour and the privilege of membership but, Mr. Speaker, they got here in spite of, and perhaps even because of my intervention against them.

Mr. Speaker, the Leader of the Opposition congratulated himself—and I am not complaining about this at all, indeed quite the contrary—that during his two hour speech he showed a great deal of charity and forbearance, and for that measure of charity and forbearance which he displayed this afternoon we on this side, I suppose, should be grateful. However, he continued to show that passionate preoccupation with personalities, which he used to show on this side, and he interested himself in certain matters which I thought had very little to do with the business of parliament or the business of government at this time. In that respect I hope he will forgive me for saying so, and in respect of some other parts of his speech he showed he had learned nothing and forgotten nothing.

He pleaded with me, if pleaded is not too strong a word, to give certain decisions at once on matters of policy, when I got up to reply and to announce at once the decision of the government in respect of some very important matters of policy. He rather complained that we had not done so on this side right away. Of course, Mr. Speaker, I could remind him that this government has been in office for less than a month, and I think I am being accurate when I say that during that very short time we have made more decisions on matters of policy than the previous government made in a much longer period of time.

For instance, the Leader of the Opposition complained that we have not done anything about dairy policy except to make some minor changes and to indicate that we were going to follow the policy of the previous government; but he did not point out that we had only four days in which to act after taking office in order to avoid the lapse of the whole price support policy of the previous government. He complains that in four days we were not able to work out a complete new dairy policy and a new policy on other matters of agriculture. We will do that, but it will take a little longer than four days.

The Leader of the Opposition also indicated that we should do something now about reversing a decision regarding the abandonment of a branch line out west, a decision made as a result of hearings of the board of transport commissioners that took place last November when the right hon. gentleman was still in office.

I should point out, Mr. Speaker, that this parliament has been called together at the first possible date after the election. That in itself is a startling innovation as against the procedure after the last two elections. It would have been tempting to have postponed the meeting of parliament for a week or two so that we would have met after the NATO council meeting, which in some ways will interfere with the convenience of certain hon. members of the house. It would have been tempting to postpone the opening of parliament for a few weeks so that all hon. members who had gone through the rigours of an election campaign could have had some time to rest and refresh themselves, but we called parliament together on May 16 and this was done because the government, though technically in a minority in the house, as it is, is determined to do its utmost to move the business of this country forward at once, and that can only be done through parliament.

To the members of other parties in the house I say, Mr. Speaker, that in order to move forward the business of the country and the business of the house with the greatest possible expedition and effectiveness, which I am sure is the desire of all hon. members, the government will not be looking to any members of any party or group to give up any rights, or to act in any way against individual conscience or party principle. This government is not inviting any special arrangements and will not indulge in any special manoeuvres in order to remain in office. We do not believe that that is necessary or desirable.

We have put forward in the speech from the throne, and we will be adding to the proposals in that speech, a program which we believe to be constructive and which embodies projects for legislative action that will be to the advantage of the nation. It is my belief that this program, if parliament sees fit to put it into effect, will be for the good of Canada. I believe the program we have put forward and are now submitting to the House of Commons will enable this parliament to do a constructive job for our country and, of course, that program may be amended as a result of the decisions of the house from time to time.

I am hopeful that all of us as members of the house will be able to look back with some pride to the twenty sixth parliament

of Canada, and I hope the time when we do that looking back will be some years from now. In this connection I cannot forbear to point out, as a great deal of mild amusement has been created in the minds of the Leader of the Opposition and others about our 60 days of action, that in the first 60 days after the election of 1957, when the Conservative party took over, there was no opportunity for parliamentary action, nor in the 60 days after the June election of 1962.

The Leader of the Opposition singled out for special attention not only the proposal in the speech from the throne but other ideas of his own to improve the processes and the effectiveness of parliament, and to improve the process for electing Canadians to the House of Commons. I am glad he did so.

Mr. Speaker, we on this side hope—and indeed we are confident—that the committee which will be set up under your leadership and which, of course, will be a committee representing all parties in the house, will make recommendations not only to improve our day to day operations and strengthen parliament by making parliament a more efficient mechanism, but perhaps Your Honour will see fit to look into the whole structure of parliamentary government to see how that structure can be strengthened. This is necessary because there is no way of making parliament—which is so essential to the free countries today, and against which so many attacks are being made—stronger in the minds of democratic people than by increasing the effectiveness of that institution and bringing it into harmony with modern conditions. When we were in opposition last session we put forward certain proposals with regard to measures we thought would be of immediate value in speeding up the business of parliament. Now we are in office we still consider those proposals to be good, and perhaps proposals of that kind could be proceeded with fairly rapidly.

The same considerations with regard to strengthening parliament apply to the strengthening of our electoral procedures and electoral machinery. As the Leader of the Opposition has said, it is becoming very expensive and very exhausting, and perhaps it is not necessary any longer—we have both spoken of this before—to take the length of time that is now required to choose a parliament of Canada. That length of time was laid down in 1867, when communications were not quite as rapid as they are today, when the media of communications by which candidates could get in touch with their people were not as efficient as those we now have, and which perhaps we sometimes think are too efficient. As far as expenditures are concerned, we on this side are on record, and have been on record for a good many years as part of our party platform, as desiring to do something about this question so that expenditures can be limited and covered by regulations which will have to be carefully laid down by the treasury. I hope in this parliament progress will be made in that regard.

The Leader of the Opposition talked about redistribution, which should have taken place before now, following the last census. In the redistribution we will never perhaps, under this federal system of ours and in this country so diverse in its elements and so vast in its expanse, be able to apply any exact mathematical criteria to our constituency representation; but it is of course important to correct, and correct as soon as possible, some of the anomalies which now exist. This may require, as I understood the Leader of the Opposition to say, some addition to the number of members in this House of Commons. He suggested this might require us to give up our desks and get a little closer together. I do not know whether this means closer together politically, or only closer together physically. However, I gather from his observation that perhaps we could indulge in this kind of, if I may put it this way, legislative bundling where you would have less legislative bungling. In any event it is an idea that I am sure will be pursued by the house and by the committee of which you, Mr. Speaker, will be chairman.

The Leader of the Opposition had something to say about the items in the speech from the throne. He asked me a good many questions, some of which I hope to deal with during my remarks. If they are not dealt with by me, they will be dealt with by my colleagues who will be taking part in this debate if it goes to its appointed day. According to the Leader of the Opposition the speech from the throne was noteworthy for its generalities rather than its specific proposals. I gathered the impression that he felt the speech from the throne contained certain dangerous tendencies toward centralization and toward a bureaucratic control of the economic life of this country. In that respect he was worried because it showed socialist inclinations on the part of hon. members on this side of the chamber. At other times this afternoon he expressed worry because we on this side are now becoming too deeply involved with big business in this country. It is perhaps a tribute to our agility that we are being criticized both for being too socialist and too big business at the same time.

So far as centralization is concerned, there is nothing in any of the proposals in the speech from the throne or in the legislative enactments which I hope will follow the

speech from the throne, which will lead to the wrong kind of centralization in this country. We do not want that in our kind of federal state. We want to give to the provinces all the jurisdiction and all the powers they have under the constitution, and the means to carry out and exercise those powers.

I hope the Leader of the Opposition will remember when he says, as he did this afternoon, that centralization has been the dream of the Liberal party—I have his words here —"ever since the days of Macdonald", that you do not have to go into Canadian history since the days of Macdonald to discuss centralization, because the greatest centralizer of them all—and in the light of the conditions of that time he may have been right—was Sir John A. Macdonald, who favoured a legislative rather than a federal union in the origins of our political society. That dream, if it was ever held by Sir John A. Macdonald—and he certainly expressed it on more than one occasion—would today be very inappropriate indeed.

The Leader of the Opposition went through some of the detailed proposals in the speech from the throne. I would point out, Mr. Speaker, that these proposals, or the most important of them, are already on the order paper in the form of resolutions for legislative action. I ask the right hon. gentleman to compare that kind of action with the situation which existed when we confronted him from that side of the chamber, when he was prime minister; I ask him to compare it with the order paper on the first day after the opening of a session.

Mr. Diefenbaker: We had 31 items on the order paper.

Mr. Pearson: The right hon. gentleman says they had 21 items on the order paper—

Some hon. Members: Thirty one.

Mr. Pearson: —but look at the 21 items and see if they contained the items for economic advance, economic development and national growth that are on the order paper on the first few days of this new, twenty sixth parliament.

Some hon. Members: Hear, hear.

Mr. Nowlan: The only ones there are those you borrowed from us.

Mr. Pearson: The right hon. gentleman complained that a lot of things we talked about on this side when we were in opposition, and during the election campaign, do not appear in the speech from the throne. Well, there are limits to what even we can do in 60 days—

Some hon. Members: Oh, oh.

Mr. Pearson: —to say nothing of the limits that are required by adequate and full parliamentary consideration of all these measures. I think this is a very good first legislative stage. That is what it is, Mr. Speaker. This is the first stage—and this has been pointed out by us so many times—in a four year parliamentary program for development and advance in this country. That is how we put the matter to the people in the election campaign, and that is how we intend to act on it. This is the first 60 days of action, to be followed by continuous action after this 60-day period is over. The right hon. gentleman no doubt read everything we said during the election campaign and he will recall that we put forward our four-year program with what we considered to be appropriate priorities attached to it.

We said during the campaign and subsequently—and indeed, earlier in this house, in more detail, I believe, than any opposition party ever gave before, what we would do and in what order we would do it. Now we are taking steps to do what we said we would do. The intentions of the government as set out this year in the speech from the throne are not vague aspirations to be acted on sometime, maybe never. We have set out simply in the speech the main matters we intend to bring forward during this session. They are headed by the measures for economic expansion which I promised during the campaign to bring forward in the first 60 days of the government's life. These measures will be before the house during the next month and it will be for the house to decide whether they are to be converted into legislative action. When we have completed our program for this year, if we do complete it in accordance with the judgment of the house, we shall go on, if parliament sustains us, as I believe it will, to the further stages of our four-year program.

The Leader of the Opposition (Mr. Diefenbaker) spent a good deal of time establishing the foundation for an argument which I am sure we are going to hear from him a great deal in the future. He tried to establish a foundation for the assertion that we on this side have inherited a booming economy.

We shall come to this in due course. The right hon. gentleman sought to show we had inherited all this, with people at work, people happy, enjoying incomes coming in; deficits ended and that kind of thing. So if anything should go wrong in the next four or five years it will be such a contrast with the happy situation which existed in April 1963.

Mr. Nowlan: That's the truth.

Mr. Pearson: However, the Leader of the Opposition was careful to leave himself an

escape hatch. He talked more than once about the problems we face and, indeed, we do face problems. He went as far as to say that the Liberal government which went out of office in 1957 had also inherited—these were his words—a buoyant economy, and that we had handed over to the Conservative government which succeeded it a stagnating and a depressed economy.

Some hon. Members: Right.

Mr. Pearson: As the Leader of the Opposition himself has said, these interruptions are sometimes very helpful. The former minister of national health and welfare (Mr. Monteith) says "Right". In fact, we inherited the economy of 1935 which could hardly be considered a buoyant economy. The right hon. gentleman boasts, however, that his government left the country in fine shape with its economy booming. In fact, in the last month of the life of the old government there were 549,000 people out of work in this country. I do not intend to waste much time either in this debate or in subsequent debates on stale arguments about the past. But I do intend to put on record once and for all the truth about the economic situation of this country when it was under the leadership of hon. gentlemen opposite, because the Leader of the Opposition placed on the record some selective figures to establish his own position.

The right hon. gentleman boasted about the big increase in the gross national product last year. There was a big increase. I recall that in the last budget debate we had, in April, 1962, I believe—it was not really a budget debate because the minister of finance of that day ensured there would be no budget debate, but I had an opportunity to speak on the motion for interim supply—I pointed out that 1962 was going to be a good year and that the minister of finance of that day was too pessimistic in his calculation of the likely increase in the gross national product. I went on to say that although there would be a substantial increase in the gross national product it would not take care of some of the dangers of the economic situation which would persist in spite of this increase. Well, that is exactly what has happened. There was a big increase last year compared with what had happened in the five previous years. The right hon. gentleman says the increase, in constant dollars, was the largest in any country in the western world. No doubt, in the course of this debate we shall have to put on record the figures bearing on that statement. But it was an increase, in constant dollars, of 6.2 per cent, which was very good indeed compared with 1 per cent in 1957 and 1958, 3.5 per cent in 1959, 2 per cent in 1960 and 2.6 per cent in 1961. Those were the real increases in our gross national product over that whole period after allowing for price changes. Those were the increases during the period of Conservative government since 1957 over the whole six years—an increase which, over those six years, amounted to 18 per cent. What was it in the previous six years of Liberal administration? It was 36 per cent.

Now the right hon. gentleman says the economy is in fine shape though over the past six years it was advanced at only half the pace at which it was advancing before they came to office. That is the record of our national production. But what do these figures mean for the people of this country? After all, production is for people. These are not merely statistics in a table. The former government never seemed to understand that ours is a growing country—that our population is increasing, though I may say it is not increasing as it should be increasing or as it would be increasing if we could keep our people inside our borders. As a commentary on the right hon. gentleman's satisfaction with the situation in this country at the present time I would remind him that in the last year for which we have figures the net immigration into this country was practically zero; almost as many people left Canada as came in, and the people who left this country were, for the most part, educated people—technicians, scientists and teachers. Had they remained, our unemployment problem would perhaps have been worse but we suffered a considerable net loss in that particular exchange. Nevertheless, our population which stayed at home is growing. If our total production does not increase steadily and adequately, then the production available to each Canadian in this growing family gets smaller, and this does not represent progress in terms of people. This is what happened most of the time under the previous government and we do not intend it to happen during the lifetime of this government if we can do anything by governmental or legislative action to avoid it.

Last year the increase in production was only enough to put the country a little ahead of the six years of Conservative government. Our real production, as I have just said, was last year 3 per cent higher than it had been in 1956. There was a 3 per cent improvement in six years over the previous six years, when national production per head was not 3 per cent but 16 per cent. In face of these figures, the right hon. gentleman professes to be proud of the record of his government. It is not a record, Mr. Speaker, which we consider a cause for any satisfaction, and it is a record on which we are determined to improve. The government needs higher standards than that in assessing the development

and position of this country. The people of Canada are entitled to higher standards than they have received over the past six years.

I saw no signs from the statement of the right hon. gentleman today, any more than I did in the previous statements when he was on this side of the house, that he understands that we are living in a twentieth century economy; that this is a scientific age, an age in which industry if it is given the freedom to which it is entitled in our society today, and if it is given the co-operative assistance which must come from government even when that means government intervention, can ensure that this country will go ahead in a way which will be adequate to take care of our work force. We are an advanced country in these matters. We are a growing country. Our production is increasing. But the questions to be answered are, how fast is it increasing, how far is it increasing, and is the increase sufficient to put people to work?

The basic truth about our economy today is that we must run very fast in production or else we will slip behind in employment. The number of jobs is going up, and the Leader of the Opposition has given us a figure today. But the number of jobs will not go up as fast as the number of people to fill them. That is the nature of the problem which we face, and that is what has been happening, Mr. Speaker, in the last six years. Over all that period, from the month of July 1957 to March 1963 inclusive, there were on the average 413,000 Canadians without work. That was the average figure. The number of jobs went up and we were all glad to see it go up; then it went down and we were sorry to see it go down. But all the time unemployment remained too high, at an average of 413,000 men and women without work. During the post-war years from 1946 to 1957 the average was 171,000.

Now, I admit at once that conditions were not the same in the earlier post-war period as they were from 1957 to 1963. There were difficulties to be faced which any government in this country would have had to face in that six-year period. Any government at that time would have been faced with bringing men home from the war to an unemployment problem which would be catastrophic, and they would be unable to put people to work. We were also told, and we had experience with this, that Europe would not be able to buy our products because Europe would not have the finances to do so. We faced certain advantages in export trade, but certain grave difficulties with controls which countries in Europe had to build up to keep out foreign goods as well as they could. There were difficulties in both periods; but in one period we had an average of 413,000 people out of work, and in the other an average of 171,000, which is a difference of a quarter of a million. It is that difference which we are determined to do something about.

I say no more than I said when I was on the other side of the house. It was not easy for the previous government, and it will not be easy for us. Perhaps we will make mistakes in our efforts to do something about it, but our policy will be to encourage industrial expansion as fast as possible. That is where the jobs must be found. We will take up the opportunities and make good the delays, the indecision and the mistakes which have been made. The policies of this government will do all the government can do to set and to keep our country on the road to that kind of economic expansion for which we have the resources of both men and material, so as to achieve the kind of economic expansion which is absolutely necessary in this day and age if people are to work. That may require a steady increase in gross national production beyond that which we have had even in our good days, and it will certainly require a much greater increase in expansion than we have had on the average over the last six years. That is our policy. That is our program which we expect on this side to put into effect stage by stage. Mr. Speaker, I believe that this house will understand the importance of this program, and I believe this house will co-operate with the government constructively, and critically when necessary, in putting this program into effect.

Mr. Speaker, may I call it six o'clock?

Mr. Speaker: 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.

Mr. Pearson: Mr. Speaker, at six o'clock I was dealing with some of the economic proposals in the speech from the throne and certain comments made by the Leader of the Opposition (Mr. Diefenbaker) on those proposals and on the economic condition of the country as he saw it, the inheritance, the booming inheritance, as he put it, that he had bequeathed to us. I endeavoured to indicate that if this situation of so-called boom over six years were repeated during the next six years, if we had a six-year prolongation of that, we would be in serious trouble indeed in this country.

It is interesting to note that while the Leader of the Opposition referred to this period of boom in such terms and tones of glowing satisfaction, that satisfaction does not seem to have been shared by the people of Canada. Otherwise the Leader of the Opposition would not have lost 15 of his cabinet colleagues and 110 or 112 of his members in the course of 12 months.

The Leader of the Opposition also made some observations on the reference to farm policy in the speech from the throne, its inadequacy and its generally unsatisfactory character. He was inclined to sneer at the appointment of a second minister of agriculture so that the problems of agriculture and the problems of the farmers could be given more careful and detailed consideration. The party opposite has done a good job, and I freely and frankly admit it—

Some hon. Members: Hear, hear.

Mr. Pearson: —in selling its agricultural policies and in selling the successful policies of the Canadian wheat board to the farmers; but the facts themselves, the hard, cold, facts, show what it has in fact done for the farmers in terms of income over the period when it was in power. The latest official figures, those that were given to parliament last December by the then government and which can be found on page 2577 of *Hansard*, show that in 1956 before the government of that day took office realized net income from farming in Canada was $1,238 million and five years later in 1961, after adjustment for the increased cost of the things farmers buy, realized net income was $1,192 million. In other words, realized farm income was down during that period by 4 per cent.

That is the farm problem, Mr. Speaker. It is a serious and difficult problem. Hon. gentlemen opposite have talked a lot about it but they have not solved it.

Mr. Diefenbaker: Was that not a crop failure year?

Mr. Pearson: They have not enabled the farmers of this country to increase their real income. The best way to prosperity for farmers throughout the country is through the expansion of markets at home and abroad. We will have expanding markets abroad only as we improve our trade policies, and I will have something to say later about the right hon. gentleman's observations on the Minister of Trade and Commerce (Mr. Sharp) and his enunciation of trade policy in London. We will have expanding markets at home only as the consumers of Canada again make rapid progress in prosperity and in income.

Therefore the first priority in the programs of this government for agriculture and for every other element of the economy is economic expansion. That is to the interest of the farmer just as much as it is to the interest of the people who live in towns and cities. As we restore and maintain economic expansion, this government will also have programs, practical, forward-moving programs, to help the farmer take advantage of improving opportunities. That, Mr. Speaker, is our pledge and that is the effective way of doing things rather than merely talking about them.

The right hon. gentleman asked me this afternoon if we were going to change our policy with regard to export credits for agricultural products now that we were in office. I would remind him if he needs reminding, because he must have known the facts, that export credits for agricultural products, including export credits for sales to countries behind the iron curtain, were a policy which was initiated by the previous Liberal government just as the policy embodied in ARDA for better land use was initiated by the previous Liberal government in its land use committee in the Senate. You can be sure, Mr. Speaker, that the Liberal government now in office will build on and expand those policies which it initiated in the early 50's.

I should like to say a word or two now about a matter mentioned by the Leader of the Opposition this afternoon which is very much in our minds and which embodies serious problems and great opportunities. I refer to the problem of the direction which should be given to confederation at this time, the problem of biculturalism and the proposal of the government to set up a royal commission to go into this problem, the terms of reference of which as submitted to the heads of government in the various provinces were tabled this afternoon.

I cannot imagine anything at this time more serious to the progress, indeed, to the survival of our country as a confederation than a successful solution to this problem. The determination of this government is that the partnership of English and French speaking people in this country shall become truly equal. I say that directly and very earnestly, and I am sure there is no single member of the House of Commons, to whatever party he may belong, who will take exception to that resolve. I emphasize as an English speaking Canadian to the English speaking parts of the country that this must be done. The partnership must be a true one and, equally important, it must be felt by all concerned in the country to be a true one.

For that purpose our confederation must be given new direction or the strains within it, of which we are all conscious particularly at

this time, might well become, though there is no reason why they should become, tragically destructive.

But I want to say something else, Mr. Speaker, and with equal seriousness to my fellow Canadians in other parts of Canada who speak French, though I am sure not all of them need this advice. Perhaps not many of them need this advice just as perhaps not many of the English speaking Canadians need the kind of reference I just made a moment ago to the necessity for co-operation and resolution on their part to make our partnership equal. When we assert the need for equality in our partnership, we must not neglect also to assert the purpose of this partnership. English speaking and French speaking people worked together, Mr. Speaker, to found, to build and to develop a country, a country with diversity as well as with co-operation and unity, a country different from other countries in this hemisphere and many other countries in the world, particularly in its diversity and in its biculturalism.

But you cannot have a bicultural country without having a country. So Quebec, to be Quebec, must be Quebec in Canada. Our purpose, therefore, in working together now must be for all of us to maintain and develop our Canadian identity, the Canadian fact. That is the nature, surely, and that must be the purpose of our partnership.

This afternoon the Leader of the Opposition said our Canadian identity is not easy to preserve. It has not been easy to preserve in the past and it certainly will not be easy to preserve in the future. The influences that could submerge it are pervasive and powerful and very much in all our minds. The facts of geography, the facts of history have always meant that the establishment of a Canadian identity required positive leadership and action by the government of Canada. The facts of modern science and modern industry reinforce the need, especially in the economic field. Quebec, which is a province different from other provinces because it is a motherland to people who live in other provinces as well as being a province of Canada, needs the means to remain Quebec. The government of Quebec must have the resources to meet the needs of today as well as to fulfil the aspirations of centuries.

By the same token, Mr. Speaker, Canada needs the means to be Canada. The government of Canada must have the resources to act for Canada in the domestic and in the international fields, especially in the most important search for peace and security in the world in which Canada has played, and can continue to play, an important and constructive part, but only if it is a Canada strong and united. Canada will not be strong unless it is united. There is no conflict here, Mr. Speaker. There is merely the need for partnership. The aspirations of Quebec, the cultural identity Quebec wishes to sustain and develop, mastery in our own home, these things which the people of Quebec are asserting would not be possible within a weak country. They would not be achieved by restricting the actions of a federal government that are necessary to meet the needs that are common to us all and that are within the federal jurisdiction.

So we must be very clear about this. The government I have the honour to lead will strive for biculturalism and equal partnership. It will equally strive to be an effective government, able to do what today is necessary for the effective good government of a country. I hope and believe, Mr. Speaker, that the royal commission which it is hoped and expected will soon be set up will help us to achieve this objective of biculturalism with diversity. There is no reason why we should not achieve it.

This afternoon the Leader of the Opposition asked my views, and the views of the government, on certain international matters. I propose to deal with them, but not at length, because there will be an opportunity later in the debate for my colleagues, especially the Secretary of State for External Affairs (Mr. Martin), to go into more detail on some of these matters. The right hon. gentleman asked what our attitude was towards the United Nations. Our attitude towards the United Nations, the attitude of this government, will be the same as it was from the founding conference at San Francisco to 1957 when the Liberal government left office. During that period, Mr. Speaker, I think it was established that the policy of the Canadian government towards the United Nations was one of the firmest possible support, the most constructive support. I believe our reputation and prestige at the United Nations during those years stood high, as I believe it stands high today. We on this side will do our best to play a full part in all the activities of the United Nations, especially in the search for international peace and security through disarmament, beginning with nuclear disarmament, and in nuclear disarmament beginning with the abolition of tests.

If we take that stand with regard to the activities of the United Nations, we will have to take a positive stand with regard to the contributions we must make to keep the United Nations going at a time when there are pressures and forces which would weaken, if not destroy it, if only from a lack of that financial support which is so miniscule in reference to the amount we spend on other

things devoted to the destruction of men rather than to the creative activity of men living together.

We are all very conscious of a fact the right hon. gentleman mentioned this afternoon, that the NATO council is meeting in Ottawa during this week. NATO has been the foundation of the foreign policy of Canadian governments ever since it was formed in 1949, and it will continue to be so. This week we have the honour of acting as host to the foreign and defence ministers of NATO countries who will be coming to Ottawa for the annual spring ministerial meeting of the council. The last time that Ottawa was privileged to receive the NATO council was in 1951, when some important decisions were taken. I think we can all derive satisfaction from the military effectiveness of the organization as it has developed during these years, an effectiveness in defence which has expressed itself in deterrent form with very good results; in that since NATO was formed, and it was formed at a time when it looked as if the red army might be moving right across western Europe, it had just entered Czechoslovakia; in that since that time of tension and danger in Europe after world war II, no single piece of western European territory has fallen as a result of communist or totalitarian expansion.

I think the North Atlantic Treaty Organization can take some credit for that good result. I think also, Mr. Speaker, we can take some satisfaction in the fact that since NATO met here last NATO has developed into one of the main forums for the co-ordination of the external policies of the Atlantic countries. Although, in the field of non-military co-operation it has not got nearly so far as all of us hoped it would go when article 2 was put into the treaty. Even in the field of foreign policy consultation as opposed to the mere exchange of information NATO has not got so far as some of us hoped it would go. But in so far as economic co-operation is concerned there have been other institutions growing up in these intervening years which have been more effective than NATO in bringing about economic co-operation on a somewhat wider basis than NATO itself. In so far as political consultation is concerned I think NATO is considerably more effective than it was in 1951.

The three day meeting of the council is to take place in the west block. The opening ceremony will be held on Wednesday morning in this chamber and will be addressed by the current president of the North Atlantic Treaty Organization, the Secretary of State for Foreign Affairs in Britain, Lord Home; by the secretary general of NATO, a distinguished civil servant of the Netherlands, Mr. Dirk Stikker and by myself. Canada will be represented at this meeting by the Secretary of State for External Affairs (Mr. Martin) and by the Minister of National Defence (Mr. Hellyer).

Normally the spring meeting of NATO is an occasion for foreign ministers to take account of the international situation. The foreign ministers and the defence ministers who are accompanying them to this meeting have been asked to make a review of discussions which have been taking place in the permanent council concerning certain proposals regarding the organization of the defensive forces of the alliance. So, in addition to the general review of foreign affairs which customarily takes place there will be a review of discussions that have been going on as to how to increase the defensive strength of the alliance.

Some information on matters to be discussed at the forthcoming meeting is, of course, already in the public domain. Hon. members, however, I am sure will appreciate that NATO ministerial meetings are held in restrictive private session and it would not be appropriate for me to make public, in advance of the meeting, the position the Canadian delegation will take on the various subjects that will be under discussion. But, I am not transgressing any rule of NATO when I say Canada will support those proposals which will be under discussion, and which we believe, after hearing the discussions, are likely to strengthen the defensive capacity and the cohesion of the Atlantic states. We remain, as a government, prepared to make a contribution from this country to that end.

It is an open secret, in fact I do not think it is a secret at all, that among the measures that will be proposed to strengthen the defensive strength of the NATO alliance will be the question of an inter-allied nuclear force, and what is called a multilateral nuclear force, which is a new idea and which provides for multinational manning of certain submarines, and perhaps surface vessels, with nuclear arms and nuclear capability.

It is sometimes forgotten, but it must not be forgotten, that NATO as an organization accepted nuclear arms for defence and deterrence as far back as December, 1957 at a meeting of the council of that time. The Canadian government at that time supported the acceptance of such nuclear arms for NATO, for defence and deterrence. Indeed paragraphs 20 and 21 of the communique issued by the NATO council issued on December 19, 1957, a communique which was accepted by the Canadian delegation and the Canadian government through that delegation, read as follows:

To this end, NATO has decided to establish stocks of nuclear warheads, which will be readily

available for the defence of the alliance in case of need. In view of the present soviet policies in the field of new weapons, the council has also decided that intermediate range ballistic missiles will have to be put at the disposal of the supreme allied commander Europe.

The deployment of these stocks and missiles and arrangements for their use will accordingly be decided in conformity with NATO defence plans and in agreement with the states directly concerned. The NATO military authorities have been requested to submit to the council at an early date their recommendations on the introduction of these weapons in the common defence—

Therefore, Mr. Speaker, ever since the acceptance of that resolution the Canadian government has accepted the proposition that NATO itself, with NATO control, should develop a nuclear capacity and deterrence for protection.

The Leader of the Opposition said this afternoon that the statement I made yesterday in the house—and I repeated it this evening, that a final decision by the Canadian delegation will be given to the NATO council meeting, which meeting undoubtedly will be held in private—that that decision not to make public our position at this time vindicates the attitude taken by the right hon. gentleman in saying we should do nothing about the nuclear commitment which had been undertaken, nothing about implementing that nuclear commitment, until the NATO council actually met in Ottawa. But, Mr. Speaker, it is quite clear from the nature of this meeting that there will be no discussion, let alone any recommendation, about the actual role undertaken by any member of the alliance.

No question therefore will arise at this council meeting, and this must be well known by members of the previous government, of a change of policy for Canada unless the government represented at this NATO meeting reverses at once the decisions made years earlier by the government of Canada, and Canada abandons at once the role undertaken for the Royal Canadian Air Force to implement that decision, and I can assure the house we do not intend at this council meeting to abandon that role. We intend to take steps, as we are presently taking steps, to implement that role until that role is changed.

It may well be that at the NATO council meeting there may be a recommendation that the defence policy of the coalition should be re-examined. I would hope that could be done, just as Canada's defence policy will be re-examined in this house and by a special committee of this house. But until that re-examination results in an alteration of our policy we propose to discharge the commitments of that policy, so there is no relationship between the forthcoming council meeting and that decision at all.

A decision that may or may not be taken at the council meeting, I do not know if there will be such a decision, will be in relation to the re-organization of the nuclear forces of NATO; the forces in NATO which now have a nuclear capacity. The only question that will arise here is whether those forces will be under a separate NATO nuclear command; whether the R.C.A.F., if it discharges the nuclear role accepted for it, should continue its present position in the NATO command or whether it should be under a separate NATO nuclear command organization. That is the question before the north Atlantic council and that question itself does not affect the role already undertaken for Canada by the previous government.

The right hon. gentleman opposite confirmed this afternoon what has previously been said by him, I believe, and certainly by some others—certainly by my hon. friends of the New Democratic party—that we should state in this house now, before the NATO council meets and before any decision is taken, what we are proposing to do, so that the house will know in advance and will have a chance to vote on our policy in that regard. The answer to that proposition was very clearly and very well given by the right hon. gentleman when he was prime minister of the day, on September 20, 1961 in this house, as reported at 8596 of *Hansard*. He said this, and I am referring to the right hon. gentleman who is now the Leader of the Opposition:

The announcement of decisions of government policy on this important issue—

That is the issue of nuclear weapons:

—will be made in the house. I might also say this; that the government, when placing such decisions before the house, will, naturally, at all times afford an opportunity for discussion. However, and I emphasize this, in each of the instruments that we have, the Bomarc and the Voodoos, nuclear weapons could be used. The defensive requirements of Canada and the need for the preservation of security will be the overriding consideration in the mind of this government.

Then he went on:

No decision has been made. When a decision is made the house will be clearly made aware thereof, as I emphasized a moment ago. Speculation which has been going on in the last few weeks is based on nothing more than the views of those who, desiring one final stand to be taken, are not taking into full regard the international situation nor in the event that it should worsen, the welfare, the future and the safety of Canadians.

Then there is this sentence:

The responsibility is one which the government must take having regard first and foremost to the welfare of the Canadian people. I must add, of course, that in any stand it takes the government must ask for the support of the house. That does not mean, however, that the decision would first be tentatively placed before the house. That would

be a denial of responsible government and a denial of the principles which the hon. gentleman himself has so long advocated.

The hon. gentleman was myself, Mr. Speaker, and I still advocate those principles so clearly put forward by my right hon. friend opposite.

The right hon. gentleman had something to say this afternoon about Canada's integrity as a nation. Although I do not have his exact words, I understood him to infer that this integrity had been prejudiced by United States intervention in the recent Canadian election. He went on to add that he and his party were determined that Canadian policies should be made without dictation from any outside source. Well, Mr. Speaker, this is one of those straw men which the right hon. gentleman loves to create, set up and clothe in raiment of various colours and with various statistics, and then knock down in order to protect our country from something which he seems to think threatens it because of the policy of our party.

I would point out to him that there is surely no difference of opinion in this House of Commons that Canada determines its policies by Canadian action, without dictation from outside, in so far as any country in the world today can determine its own policies. As an indication that perhaps we were not very solid or strong in this determination to protect Canada from these threats to its integrity, especially those from across the border, the right hon. gentleman referred to the current discussions regarding the Columbia river treaty. He pointed out that I had said we had to clear this matter with Washington before we could proceed with the amendments that may be required to this treaty. Of course, I was then stating the most obvious fact in the world, because this particular treaty is one made with the United States which was signed, sealed and delivered by the right hon. gentleman to Canada after it had been signed by the United States.

We can do one of three things, I suppose, about this treaty. We can let it lapse; that is, not bring it before parliament for approval at all and refuse to ratify it. We can denounce it, or we can go to Washington—because Washington is the other signatory to this treaty—as we would expect Washington to come to us in reverse circumstances, and say, "This treaty as it was bequeathed to us by the previous Canadian government is not satisfactory. It is not a good deal for Canada. We want some changes made to it. Are you agreeable to discussing those changes?"

We have done that, Mr. Speaker, and we have secured an expression of opinion from the other signatory to the treaty that she would be willing to discuss this and to consider amendments, clarifications and modifications to the treaty. Having received this indication of United States willingness to have another look at this treaty to see if it can be made more satisfactory, we have gone to the government of British Columbia to initiate discussions with that government, so that when we approach Washington this time with a view to these modifications we will have—

Mr. Diefenbaker: Mr. Speaker—

Some hon. Members: Sit down.

Mr. Pearson: —the views of the government of British Columbia also to this signed treaty; sealed and delivered.

Mr. Diefenbaker: Mr. Speaker, would the Prime Minister allow a question and say what changes he has asked to be made in the treaty, or is he going to obscure the issue by the words that he just uttered, which are of no meaning?

Some hon. Members: Shame.

Mr. Pearson: Mr. Speaker, I would not be a very astute negotiator with the United States if I gave details to the house in public at this time, before we have even begun to discuss the matter with the province of British Columbia, let alone Washington, except in terms of general principle that we should reopen the treaty. If I said what we were demanding to have done to the treaty to make it acceptable to us in its final form, I would be a far worse negotiator than I used to be.

Mr. Diefenbaker: Alibi.

Mr. Pearson: When the Leader of the Opposition talks about the iniquity of having suggested that we have to go to Washington before we go anywhere else in order to obtain Washington's approval to changes that Washington is being asked to make, I would remind the right hon. gentleman that this afternoon he warned us to be very careful of establishing a 12-mile limit, because Washington might not like it. I think I appreciate the importance of that warning because, as he pointed out, 80 per cent of our fish exports go to the United States, but I feel confident that we can establish our own jurisdictional zone of 12 miles, as I believe 50 other countries in the world, including the United Kingdom, have done, without getting into the kind of trouble with the United States that my hon. friend had a particular genius for getting into when he was prime minister.

Mr. Diefenbaker: You can always get agreement by surrender.

Some hon. Members: Be quiet.

Mr. Pearson: I can also state that regarding the obligation to discharge certain commitments for the common defence undertaken by the previous government, the commitments to carry out certain roles which cannot be carried out effectively, as the right hon. gentleman has so often pointed out, without the use of nuclear ammunition for the warheads and weapons required for the role, in order to discharge these commitments we have entered into negotiations with the United States, taking up where the right hon. gentleman and his colleagues left off some time ago. We have begun these negotiations for a bilateral agreement between our two countries, without which no technical agreement can be made, for the joint control of nuclear warheads. The bilateral political negotiations to this end which were carried on for such a long time by the previous government have been resumed. They will cover defensive nuclear weapons systems for Canada, as well as other matters which have been the subject of previous discussions with the United States including, of course, the role of the air division and the use of the Honest John weapon with our forces attached to NATO in Europe.

The right hon. gentleman asked me this afternoon to declare myself once and for all, finally and irrevocably for or against membership in the organization of American states. The right hon. gentleman having avoided making any such declaration himself for six years has now, with the new freedom given to him by opposition—and I understand and appreciate his position—come out boldly against Canada's entry into the organization of American states. If I understand what he said this afternoon, as far as he and his party are concerned the doubt is resolved. There would be no membership in that organization. We on this side will, in due course, declare the policy of the government in this matter. It has taken hon. members opposite six years; they might give us a few more weeks. I might point out to the Leader of the Opposition that the organization of American states is itself becoming a little worried about the proliferation of membership in that body, due to the emergence of a great many new states in the Caribbean not all of which, apparently, they think are qualified for membership. So perhaps we ought to wait and see what the criteria for membership are before we make up our own minds whether we would accept an invitation to join the organization if one should be forthcoming.

I must say I was not greatly impressed by the argument used this afternoon by the right hon. gentleman against membership—the argument that we were being pressured into this by the President of the United States. I can assure him that there was no pressure put on me with regard to this or any other matter when I visited the president a week or so ago. To say that the President of the United States, as the right hon. gentleman indicated—I think he was quoting with approval from a newspaper—wants us in this organization so that we shall vote like Bulgaria votes in the communist bloc is not worthy of the O.A.S. or of the president, or of the Leader of the Opposition himself.

The right hon. gentleman then accused us on this side of downgrading the commonwealth of nations. We have not downgraded the commonwealth; we have never done so. Indeed, one of the proudest achievements of the party to which I belong is that it has done so much through its successive leadership and members to convert the old British empire into the commonwealth of nations—a commonwealth which has new and enlarged fields of value and usefulness open to it because of the accession of African and Asian members, though a commonwealth which is very different indeed from the old commonwealth which used to be the toast of every after dinner speaker on this subject. It is not going to be nearly as easy to make this organization into such a constructive and effective international organization as it could be. It will not be as easy to do this as it was perhaps, in earlier days when the form of membership was somewhat different from the form which has recently been brought about by a considerable increase in membership of states which do not have the same economic approach to international affairs and which do not always have the same attitude internationally as the older members were accustomed to have. This situation will create new problems for the commonwealth as well as new opportunities.

The right hon. gentleman said the Minister of Trade and Commerce (Mr. Sharp) who is at Geneva at the moment wrote off the commonwealth as a trading unit in recent discussions at the commonwealth conference in London. I say there is not a shadow of evidence to support that statement. I have with me a verbatim account of everything which the Minister of Trade and Commerce said in this regard in London, though I do not intend to detain the house by putting it on the record. He adopted a constructive policy in all his statements, not only in those with regard to the desirability of increasing trade in the commonwealth—not by dramatic statements of 15 per cent diversions but by reducing barriers to trade between members of the commonwealth as part of a general process of reducing obstacles to trade throughout the world. He did say, and he is quite right,

that to build up a commonwealth as an exclusive trade bloc would be unsatisfactory and unwise. I do not think anyone wants that.

He went from London to Geneva. He will be back tomorrow because of the unfortunate developments in Geneva which have set back the progress we hoped would be achieved there. He went there with instructions to do everything possible on the part of the Canadian government to implement the principles of the Kennedy program which is imaginative, constructive and far reaching, to reduce trade barriers and obstructions. But the Kennedy program in its application of a linear 50 per cent cut to all tariffs would work out unequally in different countries, as was explained and made clear to Governor Herter when he was here.

It is not intended that every country should be subject to the same mathematical terms in the application of the principle. That is obviously impracticable. But it was intended and required that there should be reciprocity of advantage, which means reciprocity of concession; if one member of GATT could not make the 50 per cent concession mathematically it must make a concession in relation to the benefit received. That is the kind of negotiation intended, and that is what the GATT ministerial conference was hoping to do.

When the right hon. gentleman said this afternoon we had scorned this Geneva meeting, and objected to it, he could not be farther from the facts. He was supposed to have initiated this ministerial conference some months ago. I would point out to him that this ministerial GATT meeting now taking place in Geneva originated at a meeting of the ministers of the GATT countries in Geneva from November 27 to November 30, 1961, long before the right hon. gentleman put forward the proposal in London—which he expected to be considered as a new proposal, an alternative to the United Kingdom joining the European common market. We all hope these United States and other proposals designed to reach the same objective at GATT will succeed because, with all its faults, GATT remains the best general international organization for accomplishing this purpose and the Canadian government will do its best to see that that purpose is achieved. If there is any temporary setback because of the inability of the European common market even to discuss this 50 per cent linear cut, we must find another way of achieving the same objective. This temporary setback must be only temporary, as I am sure it will be.

I have not dealt with all the points raised by the right hon. gentleman this afternoon but I can assure him that this will be done during the course of the debate. May I address myself now to his amendment. It is one which, obviously, we on this side cannot accept. We believe the speech from the throne does embody important constructive projects and proposals which, if accepted by this house, would lead to industrial expansion, the creation of new jobs and the general economic well-being of this country. Therefore, we confidently submit the proposals in this speech from the throne to the consideration of the house. When they appear, as I hope they will shortly, in legislative form, we believe they will commend themselves in that form to the judgment of this house. In that way this government, in the first stage and the first stage only of its program of action, will have made a very good beginning indeed.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, in rising to take part in this debate I should first like to take the opportunity to publicly congratulate you on your election to the office which you now hold. We are confident that you will uphold the responsibility which has been placed upon your shoulders in an efficient and effective way. As we celebrate today as the day which is set aside as the commemorative birthday of our monarch Queen Elizabeth II, I have appreciated the remarks which have been made in regard to the health of her representative in Canada, our Governor General. We in our group wish to extend to him our sincere wishes for a speedy and a complete recovery.

I also wish to extend my congratulations to the hon. member for Northumberland (Miss Jewett) for her eloquent and pleasing presentation in moving the adoption of the speech from the throne. I am sure that the hon. member will have much to contribute to this house in debates to come. The hon. member was lavish in her praise of her leader. Perhaps her feelings in this regard cover over a basic difference which may exist relating to the philosophy, the programs and the policies of her party. Her statement, as reported on page 23 of *Hansard*, that:

> It is through these institutions of government . . . that we can hope somehow to achieve . . . the enlargement of the human spirit, the enlargement of the dignity and the quality of all individuals—

seems strangely different from the words of her leader, the Prime Minister, when he said in the throne debate last year that, "government cannot do everything, and the feeling that it can and that it should is one of the greatest threats to our freedom today". The switch from being in opposition to being the government may give the Liberal party a dangerous change of opinion in the power and wisdom of the government itself. We who are in the continuing opposition do not share this touching faith in the transforming power of a new party in charge of the government.

I should also take this opportunity to congratulate the Prime Minister (Mr. Pearson) and his party upon their success at the polls, which in spite of the support of practically every major newspaper in the country and a seemingly unlimited supply of campaign funds were able only to elect a minority government. However, I must confess that I have been intrigued by his plan of action for 60 days. I have a feeling that it will become known in written history as Canada's great leap forward. For the good of Canada let us hope it will be more successful than that of the country to which we are now being urged to give diplomatic recognition. It was reassuring to hear the Prime Minister speak of a second four-year plan which will follow. Perhaps this will be known as the second great leap forward.

After having listened to the former prime minister this afternoon, now in opposition, and having listened to the reply from the Prime Minister, it would seem to me that neither one has learned too much from this last election. It is high time we stopped making this House of Commons a political arena. The election is past and there is not one of us who has been elected to this House of Commons who would honestly admit that it is good for the country or good for us to have another election at this time.

Mr. Woolliams: We have heard that before.

Mr. Grafftey: He is reading the same speech.

Mr. Thompson: Just a minute. Certain hon. members just have to have their memories refreshed a little. I would say, as I said at the beginning of the last parliament, that it is high time we recognized that it is our responsibility as 265 elected members to this house, representatives of the Canadian people, to get down and supply some leadership in seeing that we get the legislation this country needs and expects from us. Most people are interested in debates and fights in their proper place. But surely the people of this country have more to expect from us, with the tremendous amount of money and energy expended in the election which put us here, than the use of this house as a personal tilting ground for a couple of their fellow citizens.

Speaking on behalf of my colleagues and myself, we are here to do business, to come to grips with the internal problems of Canada so that she can have a stronger voice in a troubled world. We are not here to waste time on trivialities, Mr. Speaker. What we need is more than just a couple of watchdogs, who apparently are only concerned in fighting between themselves as to whose responsibility it is to watch over the house while all the time the house burns down. Yes, those are not new words. They have been said before in this house and I have said them; but I think it is even more important that we regard them carefully and with a deep sense of responsibility. That is why I say that the first job of this house is to get down to business.

Mr. Speaker, we again have a minority house, and the party with the largest number of elected members has the responsibility of forming the government, of bringing in this legislative program. We have the responsibility constructively to try to work out the best possible result from that program. The Leader of the Opposition (Mr. Diefenbaker) has stated over and over again that the throne speech is a rehash of the policies of his last government. Then he goes on to move a vote of non-confidence in these same policies. The motion says that this house

—regrets that the policies announced fail to provide full opportunity for the people of Canada to continue the social advance and large economic growth of the past year.

This really sounds more like hash than rehash. It is the intention of the Social Credit party that we will not resort to criticism just for criticism's sake.

What is our attitude going to be in this House of Commons? First of all, let us remind ourselves again that in spite of the election we have just come through this is still a house of minorities. Not much has been said about that in these latter weeks after the election, but that is what it is. We could not make the last parliament work. Can we make this one work?

An hon. Member: Ask Real.

Mr. Thompson: This much is for sure. If some of us do not reform our ways we will not do so. May I remind the Prime Minister that during the twenty fifth parliament his only objective was to oppose the government. He said many times that his objective was to cut the life of the minority government as soon as possible. The Secretary of State for External Affairs (Mr. Martin) and other leading members who sit on the front benches of the Liberal party expressed the same opinion. As found on page 1349 of *Hansard* of last session, the hon. member for Essex East stated that the members of his party were elected to oppose the government. May I ask the Prime Minister how long his government would last if members of the opposition were to adopt the same attitude he did and which he advocated last year?

I would also remind the Leader of the Opposition that we would never have had the last election if he had quit playing politics

and carried his responsibilities through to the decisive action that we should have had.

Mr. Diefenbaker: You changed your mind after the election.

Mr. Thompson: If the right hon. gentleman does not have more appreciation and understanding of what took place in the house last February 5, then I can understand why we went into an election. It was said over and over again during the election campaign that the prerequisite of stable government is majority government. That statement may have some worth, but certainly a majority government is no guarantee of an effective stable government. It was not during the years 1958 to 1962. Leaving out the war years, it was not from 1945 to 1957.

A minority government can be a strong government. It can be effective and it can be stable if the members who make up parliament will put their responsibilities ahead of the politics which they are too often prone to play and if the man who is entrusted with the leadership of the government will give the leadership which a minority house requires. We did not have that in 1962. We hope we will have it in 1963. Not only do we in this house hope so but the entire nation hopes so as well. During the election campaign it was said time and again that the Social Credit group in the House of Commons toppled the government and cut short the life of the twenty fifth parliament. Over and over again the former prime minister told the Canadian people that the reason the last minority house fell was the blockage of the opposition.

An hon. Member: That is right.

Mr. Thompson: This is not true. The real cause of the failure of the twenty fifth parliament was indecision and the lack of leadership given to that house of minorities by the government. I am not making these remarks to dig up the past, but what happened ought to be a lesson for the future to the present government. If the former government had laid a positive program before the house, if it had organized the business of the house so that we had a timetable and knew what we were expected to do, if it had arranged the business so that we could have had a budget, if it had simply clarified a defence policy that we could understand, then we would never have had the crisis that led to the failure of the last parliament. I would say that no one, the official opposition or any other minor party, could have ever stopped a positive program if that program had been put on wheels and got rolling.

This is the responsibility of the present government and this is what the people of Canada expect from the present government. The twenty fifth parliament fell simply because it did not live up to the responsibilities it had to the people who elected it, because we in this house did not live up to those responsibilities.

An hon. Member: You don't know what you are talking about.

Mr. Thompson: Yes, that is why the former government lost the last election.

An hon. Member: How did you do?

Mr. Thompson: There is a dividing of political paths taking shape in Canada today. This demands the existence of minor parties and this is why both of them increased their popular support.

An hon. Member: How did you do?

Mr. Thompson: Both of them increased their popular support. It is our duty then, major parties and minor parties if that is the way they are to be described, to put our shoulders to the wheel in this situation. We sincerely hope that this session will not be a continuation of what we had last time. Such conduct is out of line with public feeling. Our duty in this debate is conducting the public affairs of our nation, and it is the duty of each one of us, I think, is to stand firmly on the basis of the principles in which we believe and from this basis examine constructively and critically the program that is put before us by the government.

Several measures in the speech from the throne are good and they will have our unqualified support and approval as they are brought before us in legislative form. I am thinking particularly of the defence committee which during the last week or two of the campaign the leader of the Liberal party, now the Prime Minister, saw fit to include in his program; and I am grateful that he is taking immediate steps to set up such a defence committee. Some of the affairs of our nation are above partisan politics and certainly defence is one of them.

I also wish to congratulate the Prime Minister on what he said tonight with regard to the question of biculturalism. His remarks were objective and if we together can approach the problem, which I am convinced is one of the basic problems before us as Canadians, in the light of those remarks, then there is indeed hope for the future. It was also good to hear him speak of the responsibilities which he believes we have in the Caribbean. For a long time we have advocated that we should be carrying a greater load of responsibility with regard to the relationships of our friends and neighbours in this hemisphere and this does mean ultimate membership within the organization of American states. But right now, with the

changes that are taking place in the Caribbean, I am sure that all of us who know the area will agree that we must carry a greater degree of responsibility and offer a larger helping hand to those islands which today are going through the throes of finding their own status as independent self-governing areas.

There are other parts of the speech from the throne that I will not take the time to discuss in detail tonight, ideas which, while they were conceived for a good purpose, will not, we believe, achieve their intended purposes without amendment. We wait expectantly to see what will be brought forth with respect to the proposed municipal development fund. In particular, we are concerned about the source and the cost to the taxpayer of the money that is to be made available to the municipalities. We believe that other measures in the speech from the throne are wrongly conceived and require us to oppose them. But our opposition will not be for opposition's sake. It will be based on the merits of any such measures from the standpoint of the principles towards which we believe a democratic government should be moving at this time.

As the hon. member for Northumberland (Miss Jewett) pointed out, there is need for setting out on a new path. Perhaps the path is not so new, perhaps it is just a shift of policy in the light of the changing time. However, I am quite sure that it will fail in its purpose if it means more government interference with the individual's liberty. Yes, action rightly adopted as a watchword is good, if this is what the plan of the government is.

It is gratifying that action has been taken on the three points that were the issue as parliament fell on February 5. I refer to the setting up of a committee to arrange for the work of this house; the pledge to embark immediately on a program or timetable, with the assurance that we are going to have an early budget. The national development program is something that is necessary. The throne speech does not make concrete proposals on any specific point. The question we wish to raise at this time is whether or not the approach that is going to be used is one that will bring us to a satisfactory conclusion.

The great complexity of our society makes the individual more dependant upon the community of which he is a part. However, that community also grows more dependent upon the individual as he becomes more highly specialized in his ability and training. This is something that should not be forgotten. We have witnessed, with a certain amount of pride, the successful return of the astronaut Cooper within these last few days. As we study all the preparations that took place, we realize that behind him there were thousands of people who made up the team which resulted in his 22 successful orbits of the earth. On the other hand, that team could never have worked as it did if it had not been for the individual who had control of the space capsule. We realized this as we heard that the automatic control from the land base failed to operate, and the astronaut had to take over. So it is, I think, in our society. This is as it should be. All economic progress comes from the division of labour, specialization and the exchange of ideas.

I am not pessimistic about Canada's future. Somehow I am confident that free men will work their way out of their present problems so that all men can be free. However, I do agree with the contemporary philosopher who not long ago gave us these words:

> Corporate officialdoms are helpless and barren—the parties, bureaus, departments, cabinets, commissions, barren because of the inner cancellation of each other's certitudes. The composite program prudentially polished has every virtue in it but life.

This is what William Ernest Hocking said. It is very true. It is good that we remember this as we look at the problems with which we are faced.

It is well for us to remember that our monetary system has been the key to the organizational development of our society. We have passed through the stages of slavery, feudalism, yes, and compulsion. But what was it that brought us out of feudalism?

An hon. Member: Debt free money.

Mr. Thompson: Some of those who are making remarks would be more correct in displaying their intelligence by keeping quiet.

Money has been the key to the organization of society. Money makes economic democracy possible by making consumer choice the arbiter of economic direction. We can go back, if we so desire, to Great Britain during the 1500's when the renaissance was just developing, when the industrial revolution was beginning to take its embryonic form. Here, again, this development was preceded with a development for the facility of the medium of exchange in the monetary system which ultimately resulted in the present monetary system.

As we look for democracy, for a system of government, let us remember that economic democracy is at the root of democratic democracy. The one is not complete, and the one cannot survive unless it has the other. I am concerned because of the trend towards increased governmental control, increased taxation. This is actually an abandonment of our monetary system, an abridgement or

an attempted abridgement of economic democracy. It does not enlarge the human spirit, but abridges it instead. It does not enlarge human dignity. It subjects individuals to the indignity of government by bureaucracy. If it promotes equality, it is precisely at the expense of that precious individuality that has been the spark kindling the fire of western civilization. As the Austrian writer Heimito von Doderer said, contemplating the difference between east and west, that in the east, "individual life does not rebel. There is too little of it for rebellion. One soul mingles with the other like smoke. But in the west, every life has its own special, if invisible, garden plot. A man stands alone between the tended flower beds and the little porticos of a house from which no one, by law and equity, is entitled to expel him...This is the only way he knows how to be. Only in this way can he be big or little, crooked or straight, good or bad".

So, as we consider this new path let us remember the old fundamentals that are basic to the very way of life we mutually agree is the way we should live. Is the new path we are taking, then, a new path or is it an old one? Is it the collapse of economic democracy which is forcing us to take actions which are contrary to the basic principles under which we live? Perhaps this sounds strong, but look at the socialist governments behind the iron curtain. It is the logical confusion of bigger and bigger governments. Creative ideas have never sprung from groups, they spring from individuals. No committee has ever painted a piece of art. No board of directors has ever written a symphony. No commission has ever invented a scientific machine. In our awe of the power of the organization compared with that of the individual, let us not forget the complementary need of the organization, however complex, for the individual's vision, skill and ability. It is the contact between the aspired mind of the individual and his Creator that enables him to bring to others a glimpse of the infinite and the eternal that lie outside the view of ordinary men. This suppression of creativity carries with it the seeds of decay of every socialist state.

Now, the question that faces us in this parliament is a simple one. Are we to master the mighty economic and social machine that we have created, or is it to master us? Some 40 years ago the founder of the Social Credit movement, which has developed into the political party I have the privilege of leading, pointed out that the answer lies in the difference between yet one more retreat into the dark ages or the emergence into the full light of day of such splendor as we can at present only envisage dimly.

[Mr. Thompson.]

I am convinced that if we are to continue as a private enterprise system we cannot cure this problem by the direction of production as this government, in the speech from the throne, indicates it intends to do. We must see that the consumers have the incomes to create a big enough market to absorb the immense production of which we are now capable. Let us begin at the proper end. Let us begin with people and their needs for better food, clothing, housing and education. If their incomes were sufficient to buy the things they already want to have, and which we are capable of giving them, our problems of unemployment and poverty in the midst of abundance would be solved.

We are still faced with problems which plagued Canada 40 years ago. The reason is that the old line parties have refused, and are still refusing, to solve them by methods that are already more than 40 years old. In the speech from the throne we have a promise that matters of detail will be taken care of, but our basic, underlying economic problems will continue without change.

In spite of what the Leader of the Opposition has said about last year's prosperity, we can no longer tolerate the stagnation of the past six years. Therefore we have two choices. We either make our financial system work—and there are perfectly simple reasons for its not working at the present time—

Mr. Deputy Speaker: Order. I regret I must interrupt the hon. gentleman but his time has expired.

Mr. Pickersgill: Mr. Speaker, I am sure no hon. member would wish to deny the hon. gentleman the opportunity of completing his speech.

Mr. Deputy Speaker: Has the hon. gentleman the unanimous consent of the house to continue?

Some hon. Members: Agreed.

Mr. Thompson: Thank you very much, Mr. Speaker. I have only a few more remarks to add. Either we make our financial system work—and there are perfectly simple reasons why it is not working at the present time—so that we can give the poor and needy those things we have in abundance about us, or we abandon the use of money altogether and with it the economic basis of democracy in place of a completely planned economy. Every step that increases our taxes takes away our power of choice, takes us away from the free market and economic democracy which I believe we must have.

In considering the legislation which will be placed before us, instead of trying to badger each other back and forth as political parties, it is far more important that we get down to

the basic fundamentals that will let us work together. Let us remember that in our parliament, complex as it is, the individual member must have preserved those rights that will give him the freedom to use the initiative and the enterprise which his Creator has given him.

Parliament, in my opinion, needs to do these things. We must through the Bank of Canada take charge of the credit supply of our nation. We already control the legal tender within our monetary system. Is it such an absurd thing that we should take charge of our credit as well? I think not. Reference has been made here tonight to debt free money. The fact is that because we have not taken charge of our credit—not as a government but as parliament itself—we have failed to give to our economy the necessary monetary bloodstream it needs.

I was interested to read the April 12 edition of the Winnipeg *Tribune* in which Professor C. L. Barber of the University of Manitoba was reported as saying:

> The Canadian economy has been trying to operate with an insufficient money supply for the past five years and needs creation of $1 billion to function successfully.
>
> Since it costs very little to create additional money, we are very foolish to try to get along with too small a stock of it.
>
> A growing economy needs a growing supply of money . . . the supply is barely keeping pace with the growth of the gross national product. There's nothing being done to make up our $1 billion deficit.
>
> The extra money in the economy would raise stock and bond prices and reduce interest rates, and might stimulate the rate of capital spending. The extra money would more likely be invested in Canadian enterprises than be spent on new cars and other consumer goods.
>
> The result of the money supply shortage has been the highest interest rates since the first world war.
>
> Canadians now expect "a great deal" from government . . .
>
> They (governments) are expected to take an underlying responsibility for the successful functioning of our economy—and properly so.
>
> Yet, I suspect few of us realize how much our standards of expected government performance have risen over the past decade or more.

He went on to explain how this would work. So, these things which far too many members of the house tend to laugh and jeer at, are things which people who are closer to an understanding of the function of our economy are thinking about. Since it costs very little and since the basic reforms that would be involved here are not major, it would not take long before our economy could produce the things that we agree are the desirable objectives.

France, Germany and Japan, during the years since the last war, have steadily increased their money supply and the growth of their gross national product. Their economies have expanded; they do not have unemployment today. Is it immoral to do the same thing here? The answer is not higher debt and higher tax burdens.

The government can be assured, in the light of this approach, of our co-operation in this parliament as we agree that something must be done, but we give notice to the government that we are afraid it is on a fundamentally wrong track in preferring physical control to financial reform in trying to make our economic system bring prosperity to all. I am alarmed at the possible consequences that might result to individual rights and freedom in a private enterprise economy.

This is no blank cheque for support, but it is an earnest appeal to each one of us to work together to make this session a responsible session in the eyes of the people who elected us. We can prove to the people of Canada that we are responsible representatives only by acting like responsible people. Frontbencher or backbencher, cabinet ministers or opposition, it does not matter where we sit. This is the challenge that is before us now. I hope each member will take the now. I hope each member will take the opportunity of participating in this debate as I do not think any one has all the answers to the questions that are involved. However as we participate and share this responsibility we will achieve that which the country expects from us and which it needs in order that it can continue to develop and move forward.

This is now just four years before the centennial of our confederation. These are four very vital years. Whether or not we are able to hold Canada together as a nation remains to be seen. I think we will find the answer before 1967. I do not think there has ever been so important or critical a period in the history of our nation, as it has existed as a nation, as we face standing on the threshold right now. Therefore I trust—and I am confident we will do this—that each one of us will be carefully thinking of our responsibilities in this over-all picture and will be playing our own parts in moving forward to make Canada the nation that I want Canada to be, that all of us want Canada to be, that Canada must be if she is to stand, and a nation such as the world must have.

We in Canada are actually a miniature world. It is true that we are only 19 million people. We came together as two founding nations 200 years ago, and into our midst have come a multitude of other nationals from other parts of the world. We came into being almost in spite of the laws of economics and the reasoning of men that such a nation could survive. In fact it is a miracle that

Canada has survived to this point. But what hope have we of staying together as a peaceful world, of developing the human and material resources of this world, if we in Canada cannot work out our own problems? That is why I think our responsibility goes much further afield than this house or this nation. It reaches across the world. If we cannot do this, what hope have men and women as individuals who deserve the assurance of those things which they need in order to live, and who at the same time desire the freedom which will help them reach their objective in the world.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I offer you my congratulations and felicitations on the high office to which you have been elected by your peers. I notice that the Sergeant-at-Arms has been placed cheek by jowl beside the hon. member for Kootenay West (Mr. Herridge) and myself. I hope this is not an indication that Your Honour fears trouble from this corner. I can assure you that we will be models of decorum.

Mr. Herridge: We are peaceful people.

Mr. Douglas: I should also like to extend my congratulations to the mover and seconder of the address in reply to the speech from the throne, the gracious hon. member for Northumberland (Miss Jewett) and the very able hon. member for Lotbiniere (Mr. Choquette). These two hon. members made as fine maiden speeches as I have ever heard.

Some hon. Members: Hear, hear.

Mr. Douglas: I am sure they brought honour to themselves, their constituents and their party. As a matter of fact, when I heard the hon. member for Northumberland extolling the beauty and charm of her constituency I thought that her constituents could argue with equal force about the beauty and charm of their member.

I should also like to extend my congratulations to the right hon. Prime Minister (Mr. Pearson) and his colleagues on having earned the right to be invited to form a government. When I look at the cabinet, with some notable exceptions it seems to me like an old timers reunion of the Liberal party. Most of the cabinet is made up of members of the former Liberal administration, along with former civil servants and economic advisers to the St. Laurent government. But I want to compliment them on the efficiency which they have already displayed in the dispatch of business, and to express the hope that they will not have competence without compassion, that we will not see efficiency without vision, the kind of vision that we need in the situation in which Canada finds itself at the present time.

Mr. Speaker, I think the one fact which is paramount is that the people of Canada want this to be a parliament that gets things done. This country is beset by deep rooted problems and there is little to be gained from arguing as to whose responsibility it is for these problems. There is nothing to be gained by mutual recriminations from both sides of the house. The child is on our doorstep; there is little value in arguing about who has the paternal responsibility. We all have a responsibility at this time to meet the situation which confronts us. The opposition parties, in my view, have a responsibility to refrain from all forms of frivolous obstruction and to give the government a chance to bring down its program for economic recovery.

I submit, on the other hand, that the government has a responsibility to tackle the problems which confront it with dispatch and to refrain from making any major policy decisions without reference to parliament. I think the people of Canada as a whole want a respite from elections; but the onus for that lies on both sides of the house. The members of the New Democratic party in this house are prepared to give the government a chance to carry out its domestic program for economic recovery, but on the other hand we expect the government to consult parliament rather than treating it with contempt. We can have in this country a period of stable government only if there is a degree, a high degree, of co-operation from all parties in this house.

Mr. Speaker, may I now say a word about the speech from the throne. This is a document of lights and shadows. Some of the proposals could prove very beneficial. I refer to the municipal development and loan board, the department of industry and the area development agency which will be created within that department, the Canada development corporation, the economic council and the contributory pension plan, all of which are mentioned in the speech from the throne. The value of these measures will depend on the terms of the legislation and whether these proposals are part of a planned assault upon our economic problems or merely a hit and miss set of proposals attempting to patch up a creaking economy.

We in the New Democratic party do not believe that this government, any more than its predecessor, is prepared to undertake the fundamental changes or adopt the far reaching policies which are necessary to make our economy function satisfactorily. May I just

give two brief illustrations. Mention was made today of the rate of economic growth. The rate of economic growth is not like a hockey score; it is not an end in itself. Increased growth is only meaningful if it contributes to the two vital goals of full employment and a higher standard of living for all Canadians. The year 1962 demonstrated that we can have an increase in the gross national product without a corresponding increase in employment. The increase in that year was largely in the extraction industries which do not have a high employment ratio. Consequently, we had an increase in the gross national product but there was no corresponding decline in unemployment.

May I put forward another illustration—the matter of investment funds with which some of this legislation is concerned? Increased investment funds alone are not a solution. Over the period when investment was declining, business savings in Canada actually increased by 4 per cent. If the problem had been a lack of funds, surely the business community would have dipped into its reserves. Last year, in constant dollars, business investment increased by 4.8 per cent but in the same period gross business savings increased by 7.1 per cent. It is therefore apparent that the business community felt that present plant and machinery were adequate to meet the current demand for goods and services.

The great lack, is not just in terms of economic growth, is not just in terms of funds for investment—though these are important factors in our economy—it is the inability of large sections of our population to buy the goods and services which our economy is capable of producing. It is estimated that there is a gap of some $2.5 billions between what our economy is capable of producing and what the people of this country are able to buy. That is why we in this group have constantly advocated two measures, the first of which is that there must be massive doses of social capital injected into the economy. To my mind this is where the speech from the throne falls down. The municipal development and loan board will be some help in giving social capital to the municipalities, but what we need in addition are large scale public works by both federal and provincial governments. We need home construction on a gigantic scale. The unemployed should not be asked to wait until the effects of long run measures have found jobs for them. There are things which could be done now and things which must be done now if unemployed people are to be put to work.

The second thing we advocate is an increase in social security measures as one of the means of distributing purchasing power. Social security measures are not a luxury to be enjoyed after economic recovery. They are an integral and indispensable part of economic recovery. During the election campaign the Prime Minister spoke of welfare measures and health measures taking second place to economic recovery. We believe there can be no effective economic recovery or economic stability until purchasing power is restored to those sections of our population which have only a limited capacity to consume. An increased effective demand on the part of the lower and middle income groups is indispensable to economic growth and a full employment economy. If the government continues to retain the idea of getting ever closer to a balanced budget as the pivot of its economic policy it will not be able to do either of these two things. The government is facing a dilemma. If it carries out its pre-election talk about a balanced budget it will not be able to provide the social capital or the welfare measures necessary for economic recovery. It will have to make up its mind in the course of this and the other sessions of the present parliament whether it intends to adopt modern economic policies or whether it is going to worship the golden calf of a balanced budget. Today, a balanced budget is not essential. The essential thing is to balance consumption and production.

May I briefly mention some of the omissions from the speech from the throne? I have already noted that there is no reference to a short run program for providing jobs. There are in the neighbourhood of half a million persons unemployed in this country who are looking to this parliament to provide jobs. There is nothing in the speech from the throne which gives immediate hope that these jobs will be forthcoming in the months ahead.

There is no mention in the speech from the throne of a comprehensive health insurance program. I can recall in my own constituency of Burnaby-Coquitlam the Liberal candidate, Mr. Tom Kent, saying that the New Democratic party promised to pay 60 per cent of the cost to any province which would establish a comprehensive medicare program but that a Liberal government would not wait for the provinces to act but would bring in a medicare program of its own. In a television debate in which he and I participated he said this would be done in the first 60 days. It is true there was a slip of the tongue; he said "in the first 60 years" but he quickly corrected himself. Some people suspected that the Freudian slip was more accurate than the correction. However, the people of Canada will want to know during the course of this debate whether or not the government is serious about the medicare program promised in the course of the election campaign.

There is no mention in the speech of a two price system for wheat guaranteeting the farmers $2 a bushel for the wheat they deliver. Today, when I sought an answer to that question, the Prime Minister said it was a matter of government policy which would be announced in due course. The fact remains that the Prime Minister made this promise definitely to the people of western Canada. The Saskatoon *Star-Phoenix* on March 7 carried a full banner headline quoting him as saying that the Liberal party was pledged to a two price system and a $2 guaranteed price. Certainly I hope the Minister of Agriculture (Mr. Hays) or the Minister of Trade and Commerce (Mr. Sharp) will make a statement on the subject during the course of this debate.

There is no mention of the 10,000 scholarships of $1,000 each of which the Minister of Northern Affairs and National Resources (Mr. Laing) spoke in an article which appeared in the Toronto *Star* on May 1, and there is no statement on the pressing problem of railway line abandonment which is causing so much concern to the people of the prairies. I recall that only a few months ago the Liberal members, when they sat on this side of the house, were screaming for action. But the speech from the throne is as silent as the tomb about what the government intends to do concerning this large scale railway line abandonment being planned by the two major railway companies in Canada which will mean the uprooting of three or four thousand miles of railway line with all that this implies for the people who live in the communities affected and the farms which produce in those areas.

It is my intention to move a subamendment to the speech from the throne but I do not want to start on that before tomorrow, if that would meet the pleasure of the house. If I have the consent of the house, I should like to move that the debate be adjourned and to call it ten o'clock.

Mr. Speaker: The hon. member for Burnaby-Coquitlam (Mr. Douglas) moves the adjournment of the debate. Is it agreed?

Some hon. Members: Agreed.

Mr. Pickersgill: Under the circumstances, sir, I wonder if Your Honour would see that it was ten o'clock.

Mr. Speaker: Ten o'clock.

BUSINESS OF THE HOUSE

Mr. Churchill: Mr. Speaker, I wonder if for purposes of identification the house leader would care to get his name on *Hansard* again and announce the business for tomorrow and the rest of the week?

Mr. Pickersgill: I must say, sir, that I deeply appreciate the solicitude of the hon. member for Winnipeg South Centre for my publicity. I hope he will continue to be my publicity agent, because I know I am going to need one.

To speak seriously, sir, it is the hope of the government that this debate will be continued uninterrupted until it is concluded. After what has been said by the hon. member for Red Deer this evening the government would, of course, be very grateful if we could conclude the debate a day or two earlier than the full length of time allowed by the rules. However, we are not wishing in any way to restrict the right to speak of any hon. member who has something to say.

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

APPENDIX

LETTER AND TERMS OF REFERENCE RESPECTING ROYAL COMMISSION ON BICULTURALISM

(The following letter was sent to the premiers of all provinces)

PRIME MINISTER
CANADA

Ottawa, May 15, 1963

My dear Premier:

In a speech I made in the House of Commons on December 17, 1962, on the problems posed, and the opportunities offered, in Canada by the duality of language and culture established by confederation, I suggested that a broad and comprehensive inquiry should be conducted, in consultation with the provinces, on bilingualism and biculturalism. That proposal received widespread support in parliament and, I believe, in the country.

I am now writing to ask whether your government would favour such an inquiry by a royal commission with terms of reference such as those annexed to this letter.

Any recommendations from the proposed commission would, of course, not be binding on governments; nor would approval by your government of such a commission with these terms of reference imply any commitment to accept any recommendations that it might make.

I would be most grateful for your early consideration of this matter.

Yours sincerely,
Lester B. Pearson.

COMMISSION OF INQUIRY ON BILINGUALISM AND BICULTURALISM

To inquire into and report upon the existing state of bilingualism and biculturalism in Canada and to recommend what steps should be taken to develop the Canadian confederation on the basis of an equal partnership between the two founding races, taking into account the contribution made by the other ethnic groups to the cultural enrichment of Canada and the measures that should be taken to safeguard that contribution; and, in particular,

1. to report upon the situation and practice of bilingualism within all branches and agencies of the federal administration—including crown corporations—and in their communications with the public and to make recommendations designed to ensure the bilingual and the basically bicultural character of the federal administration;

2. to report on the role of the public and private cultural organizations, including the mass communications media, in promoting bilingualism, better cultural relations and a more widespread appreciation of the basically bicultural character of our country and of the subsequent contribution made by the other cultures; and to recommend what should be done to improve that role; and

3. having regard to the fact that constitutional jurisdiction over education is vested in the provinces, to discuss with the provincial governments the opportunities available to Canadians to learn the English and French languages and to recommend what could be done to enable Canadians to become bilingual.

HOUSE OF COMMONS

Tuesday, May 21, 1963

The house met at 11 a.m.

FINANCE

ANNOUNCEMENT OF LEGISLATION RESPECTING IMPORT SURCHARGES

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I should like to make a brief statement respecting the surcharge on imports order that was passed by the previous government on June 24, 1962. As hon. members know the legality of this order has been challenged, and the matter is before the courts.

This poses a difficult problem because in many cases those who paid the surcharges, and who might now be entitled to claim refunds should the order be found to have been invalid, passed the amount of such surcharges on to their customers. These customers in turn may have passed the amount of the surcharges on to their customers, and so on. It would not be possible to unscramble a situation of this kind.

Accordingly I should like to inform the house that the government will be recommending legislation on the surcharge order. One effect of this proposed legislation would be to prevent any massive attempt at obtaining refund of moneys in fact paid by now unidentifiable Canadians, an action which would not be in the public interest.

ECONOMIC COUNCIL OF CANADA

PROVISION FOR ESTABLISHMENT AND DEFINITION OF DUTIES

Right Hon. L. B. Pearson (Prime Minister) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to provide for the establishment of an economic council of Canada and to define the duties thereof, to provide for the appointment of the chairman, directors and other members of the council and for the payment of the remuneration of the chairman and directors and of certain other expenses of administration of the council, to provide further that the council may engage the services of such advisers and staff as may be necessary to enable it to carry out its duties and to provide further for other related and incidental matters.

Motion agreed to.

MUNICIPAL DEVELOPMENT AND LOAN BOARD

PROVISION FOR FINANCIAL ASSISTANCE TO MUNICIPALITIES

Hon. Walter L. Gordon (Minister of Finance) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to promote increased employment in Canada by the provision of financial assistance by way of loans to municipalities, the object of such loans being to enable municipalities to augment or accelerate their capital works programs subject to the approval of the provinces concerned; and for this purpose to provide a special fund in the consolidated revenue fund not exceeding four hundred million dollars to be available for the making of loans to municipalities and certain other municipal authorities for specific municipal capital works projects; to establish a municipal development and loan board to administer the fund so provided; to authorize the acceptance of municipal debentures for any loans so made; to authorize a measure of forgiveness in respect of any loans so made, depending upon the date of completion of the projects for which such loans are made; and to provide further for other related and incidental matters.

Motion agreed to.

INDUSTRY

PROVISION FOR ESTABLISHMENT OF DEPARTMENT

Right Hon. L. B. Pearson (Prime Minister) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure (a) to establish a department of industry to be presided over by a minister of industry who shall be appointed under the Great Seal of Canada, to authorize the appointment of a deputy minister by the governor in council, and to provide for the appointment to the department on a temporary basis of persons having special knowledge of manufacturing industries to assist in the work of the department; (b) to provide for the establishment under the direction of the minister of an area development agency and to provide for the appointment of a commissioner and a deputy commissioner for area development; and (c) to make a consequential amendment to the Salaries Act to provide a salary for the minister.

Motion agreed to.

DEPARTMENT OF AGRICULTURE

PROVISION FOR APPOINTMENT OF TWO MINISTERS

Right Hon. L. B. Pearson (Prime Minister) moved that the house go into committee at

the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure respecting the Department of Agriculture, to provide that the department shall be presided over by a minister of agriculture (east) and a minister of agriculture (west) appointed under the Great Seal of Canada, and to make a consequential amendment to the Salaries Act to provide salaries for both ministers.

Motion agreed to.

ATLANTIC DEVELOPMENT BOARD ACT

AMENDMENTS RESPECTING MEMBERSHIP, FUNDS, ADMINISTRATION, ETC.

Hon. J. W. Pickersgill (Secretary of State) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to amend the Atlantic Development Board Act to increase the number of members of the Atlantic development board from five to eleven; to establish as a separate account in the consolidated revenue fund an Atlantic development fund to which shall be credited the sum of one hundred million dollars to be used for the purpose of financing or assisting in financing programs or projects that would contribute to the growth and development of the economy of the Atlantic region and for which satisfactory financing arrangements are not otherwise available; and to provide that the said act shall expire on the 24th day of January, 1969; and to provide further for certain changes in connection with the administration of the said act.

Motion agreed to.

NATIONAL DEFENCE

APPOINTMENT OF SPECIAL COMMITTEE

On the order:

The Prime Minister:

That a special committee be appointed to consider matters relating to defence and to report from time to time its observations and opinions thereon; that the committee have power to send for persons, papers and records and to examine witnesses; that it be empowered to adjourn from place to place; that standing order 67 be suspended in relation to the committee; and that the committee consist of 18 members to be designated by the house at a later date.

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

NORTHWEST TERRITORIES ACT

AMENDMENTS RESPECTING COUNCIL MEMBERSHIP, NAMES OF TERRITORIES, ETC.

Hon. Arthur Laing (Minister of Northern Affairs and National Resources) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to amend the Northwest Territories Act and to rename the said territories, and to effect certain consequential changes in the statute law with respect thereto, *inter alia* to increase the number of elected members of the council of the territory from four to five, to establish a separate territorial revenue fund and to provide for the transfer thereto of a portion of the amount standing to the credit of the Northwest Territories revenue account in the consolidated revenue fund upon the coming into force of the said measure.

Motion agreed to.

NUNASSIAQ TERRITORY

PROVISION FOR ESTABLISHMENT, GOVERNMENT, AND ADMINISTRATION OF JUSTICE

Hon. Arthur Laing (Minister of Northern Affairs and National Resources) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to establish a new territory under the name of Nunassiaq territory and to provide for the government thereof and the administration of justice therein; to provide *inter alia* for the appointment of a commissioner and deputy commissioner of the territory, the establishment of a council of the territory, the appointment and election and the tenure of the members thereof, the sessional indemnities for the elected members and one of the appointed members thereof, the travelling and living expenses of the members thereof and the legislative powers of the commissioner in council; to provide also for the payment of territorial revenues into the consolidated revenue fund and for the establishment therein of an account to be known as the Nunassiaq revenue account, to which shall be credited amounts equal to the territorial revenues paid from time to time into the consolidated revenue fund and all moneys appropriated by parliament to be credited to the said account; to provide also for the payment, out of the consolidated revenue fund, of money required for the territorial purposes specified in ordinances of the commissioner in council or, until the establishment of the first council of the territory, in orders of the commissioner, all such payments to be charged to the Nunassiaq revenue account; to provide also for the establishment of a territorial court and for the appointment of a judge and a deputy judge thereto; to provide also for the appointment of police magistrates in and for the territory and for the fixing of their salaries and allowances; to provide also that the governor in council may appoint justices of the peace in and for the territory and authorize payment of their remuneration and travelling and other expenses; and to provide further that the governor in council may appoint a clerk of the court, sheriff and such other officers as are deemed necessary for the administration of justice in the territory and fix their salaries and allowances.

Motion agreed to.

NATIONAL DEFENCE

NATO—ARMING OF CANADIAN TROOPS WITH NUCLEAR WEAPONS

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): I should like to ask the Minister of National Defence whether following his recent visit to the brigade in Europe he has made a decision to replace the non-explosive warheads on the Honest John rockets with atomic warheads, and permit the rocket battery crews to conduct practice shooting with live ammunition in order to complete their training.

Hon. Paul Hellyer (Minister of National Defence): The question of the arming of the Honest John is one which is now under active consideration by the government and a decision will depend, I am sure, to a considerable extent on the outcome of negotiations now being carried on by my colleague the Secretary of State for External Affairs.

QUEBEC—PROTECTION OF MILITARY INSTALLATIONS

On the orders of the day:

Hon. D. S. Harkness (Calgary North): I wish to direct a question to the minister of defence. Have any additional security measures been instituted to protect military installations in the province of Quebec and, if so, what is the nature of these extra precautions?

Hon. Paul Hellyer (Minister of National Defence): Additional precautions have been taken but I am not in a position to advise the house exactly what they are because to do so would, I believe, prejudice the security which they afford. I hope they will be successful in discouraging the type of incident we have been experiencing. Everything possible is being done and every co-operation is being given to the government and premier of Quebec in the hope that this situation can be brought under control.

NUCLEAR WEAPONS—INQUIRY AS TO CONSTRUCTION OF AMMUNITION DUMPS

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I should like to direct a question to the Minister of National Defence and ask whether, as a result of his recent visit to Canadian military establishments in Germany, he is in a position to advise the house whether the ammunition dumps for nuclear warheads which were planned in the fall of 1961 have now been constructed, or what is the position respecting construction at each location?

Inquiries of the Ministry

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, as the hon. member probably knows, one of the ammunition dumps which would be used by the Canadian brigade group if a bilateral agreement is signed with the United States is located at Hemer, and that has already been completed. These ammunition dumps are constructed under the infrastructure of the North Atlantic Treaty Organization and are not under our national control. Those for the air division have been approved, and one or two of those are now in the early stages of construction.

(Translation):

THE MINISTRY

INQUIRY AS TO DIRECTORSHIPS IN COMPANIES OR BANKS

On the orders of the day:

Mr. Real Caouette (Villeneuve): Mr. Speaker, I should like to address a question to the Prime Minister.

Could the Prime Minister tell us whether the ministers in his cabinet, who were directors of companies or chartered banks, have given up their directorships in these firms following their appointments as ministers of the crown?

(Text):

Right Hon. L. B. Pearson (Prime Minister): There is a question on the order paper dealing with that matter.

DEFENCE RESEARCH

POSSIBLE EFFECTS OF U.S. SPACE NEEDLES PROJECT

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to address a question to the Secretary of State for External Affairs. First, has the government of Canada received any communications from the government of Great Britain with respect to the possibility that the United States space needles project may be hampering scientific research of other nations? Second, has the minister received any information or advice from his scientific advisers in this respect?

Hon. Paul Martin (Secretary of State for External Affairs): With regard to the second part of the question, I have had some discussion with officials in the Department of External Affairs. As to the first part of the question, I have not received any information.

TRADE

URANIUM—INQUIRY AS TO NEW CONTRACTS

On the orders of the day:

Mr. L. R. Crouse (Queens-Lunenburg): I wish to direct a question to the Minister

of Mines and Technical Surveys. It was recently indicated in the press that the minister visited Elliot Lake to discuss with municipal officials methods to improve economic conditions in the depressed uranium mining area. Would the hon. gentleman tell the house whether his efforts to improve the sale of uranium have been successful and the amount of any new contracts negotiated as a result of his visit?

Hon. W. M. Benidickson (Minister of Mines and Technical Surveys): I thank the hon. member for having given me notice of this question a few moments ago. Shortly after my appointment I did visit Elliot Lake in company with the minister of industry and resources of the province of Ontario, Mr. Robert Macaulay, and officials of both governments. We are looking into this question very seriously at the present time.

INQUIRY AS TO RETURN OF MINISTER FROM GENEVA

Hon. George C. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, may I ask the right hon. Prime Minister whether the newspaper report in this morning's press is correct, that the Minister of Trade and Commerce is leaving Geneva and the GATT conversations there, and will be back in the house on Thursday.

Right Hon. L. B. Pearson (Prime Minister): Yes, Mr. Speaker, it is anticipated that the minister will be in the house on Thursday.

(Translation):

DOMINION-PROVINCIAL RELATIONS

CONVERSATION BETWEEN PRIME MINISTER AND QUEBEC PREMIER

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I wish to direct a question to the Prime Minister. Has he recently been in touch with the premier of Quebec about a new tax-sharing scheme?

Mr. Speaker: The hon. member asked exactly the same question yesterday. The same question cannot be asked two, three and four times.

Mr. Gregoire: Mr. Speaker, on a point of order. I put that question to the Minister of Justice but, since then, statements have been made to the effect that the Prime Minister of Canada and the premier of Quebec have had a telephone conversation on that subject; I am now seeking from the Prime Minister himself information on that matter.

[Mr. Crouse.]

Mr. Speaker: The Prime Minister can answer that question if he wishes, but he is under no obligation to do so this morning.

(Text):

Right Hon. L. B. Pearson (Prime Minister): I did have a telephone conversation with the premier of Quebec—I think it was last Friday evening—when we discussed matters of mutual interest.

(Translation):

Mr. Gregoire: Mr. Speaker, may I ask a supplementary question? Was a new tax-sharing scheme included in these matters of mutual interest?

(Text):

Mr. Pearson: No, Mr. Speaker.

[*Later:*]

Mr. Eldon M. Woolliams (Bow River): I should like to direct a question to the Prime Minister. I noticed a report in this morning's Toronto *Globe and Mail* to the effect that the Prime Minister would be having discussions with Premier Lesage of Quebec concerning tax concessions. Will these discussions take place with a particular premier for a particular province prior to discussions with the other provincial premiers?

Mr. Pearson: I am always happy to meet the provincial premiers on matters of mutual interest. Of course the question of fiscal relations with the provinces is one which should be discussed with all the heads of the governments of the provinces at a conference.

LABOUR CONDITIONS

LEGISLATION RESPECTING WAGES AND HOURS OF WORK

On the orders of the day:

Hon. Michael Starr (Ontario): I should like to ask the Prime Minister if it is the intention of the government during this session of parliament to introduce legislation requiring in federal industries a minimum wage of $1.25 an hour and hours of work, as promised last March in Hamilton by the right hon. gentleman.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the Minister of Labour, who would normally reply to this question, is not in the house, being away on official business, but it is the intention of the government to deal with this matter as soon as possible.

PUBLIC WORKS

VANCOUVER, B.C.—FEDERAL GRANT FOR CONSTRUCTION OF SEA WALL

On the orders of the day:

Mr. Arnold Webster (Vancouver-Kingsway): Mr. Speaker, I wish to direct a question to the Minister of Public Works. In view of

the change of government some doubts have arisen with regard to the continuity of work on the Stanley park sea wall at the entrance to the harbour of Vancouver. Would the minister please clarify the position of the government in relation to the federal sea wall grant for this year?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I wish to thank the hon. member for giving me notice of this question. An item is included in the 1963-64 estimates of the department to continue construction of the Stanley park sea wall. Subject, of course, to the approval of parliament this amount will be available this year.

(Translation):

TRANSPORT

RICHELIEU WATERWAY—INQUIRY AS TO PROGRESS OF DISCUSSIONS

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to address a question to the Secretary of State for External Affairs whom I wish to congratulate on his appointment. Can the minister tell the house what progress has been made by the international joint commission in their discussions on the advisability of developing a Richelieu river waterway?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I wish to thank the hon. member for having given me notice of this question. The house is already aware that, on July 5, 1962, the governments of Canada and the United States of America asked the international joint commission to examine this project under section IX of the Boundary Waters Treaty (1909). The commission is busily carrying out its review. In the course of its proceedings it intends to hold public hearings in that area during the week of September 16. These hearings will be held in Saint John, Sorel, Montreal, Plattsburg, Burlington and Albany, so as to enable individuals and private and public organizations to put forward their point of view. In July the commission will issue notices giving all the necessary details on those hearings.

(Text):

CAPE TORMENTINE, N.B.-BORDEN, P.E.I.—CONSTRUCTION OF NEW FERRY

On the orders of the day:

Hon. J. A. MacLean (Queens): Mr. Speaker, I should like to address a question to the Minister of Transport. Has construction of a new vessel to operate between Cape Tormentine, New Brunswick, and Borden, Prince Edward Island, been approved by the government?

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, I will have to take the question as notice.

Mr. Crouse: Ask the Solicitor General. He knows.

Mr. MacLean (Queens): I should like to ask an additional question related to this matter. How is it possible that the minister does not have the answer readily available, when the announcement has already been made by one of his colleagues?

PUBLICATIONS

IMPLEMENTATION OF RECOMMENDATIONS OF ROYAL COMMISSION

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I should like to address a question to the Prime Minister. Could he inform the house whether the government is contemplating action toward the implementation of any of the recommendations of the O'Leary report on publications?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, this matter is now under consideration, but I can tell my hon. friend that no action is likely to take place in the first part of the current session.

AGRICULTURE

WHEAT—POSSIBLE EFFECT OF U.S. REFERENDUM

On the orders of the day:

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, I should like to address a question to the Minister of Agriculture. In view of the fact that the wheat referendum in 21 states of the United States is being held today and there can now be no risk of being charged with interference in the affairs of a friendly nation, would the minister make a statement to the house as to the position of the Canadian government on this matter, and at the same time give some indication to farmers both east and west of action to be taken to meet the impact of the United States decision, whether yes or no?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, may we take this question as notice.

[*Later:*]

Mr. Hamilton: I should like to direct a question to the Prime Minister. In view of

the fact that the wheat referendum being held in the United States today now puts the matter beyond any question of interference by any friendly nation, may I ask if this matter and the impact on Canadian agriculture was discussed with President Kennedy or any of his officials at Hyannis Port?

Right Hon. L. B. Pearson (Prime Minister): The hon. gentleman may rest assured that agricultural problems of interest to both countries and other problems in the same category were discussed with the president at Hyannis Port.

(Translation):

FITNESS AND AMATEUR SPORT

INQUIRY AS TO AGREEMENT WITH QUEBEC

On the orders of the day:

Mr. Gerard Laprise (Chapleau): Mr. Speaker, I wish to direct a question to the Minister of National Health and Welfare. Can the minister tell us whether an agreement was signed between the state of Quebec and her department in respect to the program for fitness and amateur sport?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, I wish to thank the hon. member for Chapleau for giving me notice of that question. The answer is, not yet.

(Text):

CANADIAN BROADCASTING CORPORATION

ST. JOHN'S, NFLD.—CONSTRUCTION OF TELEVISION STATION

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to ask the minister who speaks for the Canadian Broadcasting Corporation a question relating to certain uncertainties that exist in St. John's, Newfoundland, which I know he will appreciate. Can he tell us whether and when the C.B.C. is to begin construction of its new television station in St. John's?

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, I understand that the B.B.G. made a recommendation shortly before the 8th of April and that the matter was then remitted, as it has to be, to the Department of Transport where it is under study by the technical officers of that department. I cannot give any further information until that study is completed.

Mr. Fisher: A supplementary question. Could the minister indicate, as the minister from Newfoundland, whether he and the government are in support of this particular project?

Mr. Pickersgill: Mr. Speaker, the hon. gentleman's question raises a very important constitutional point, and that is whether Your Honour feels it is proper for ministers to be questioned on matters that are not directly concerned with their responsibilities to this house merely because of the geographical location of their constituencies. I believe this is an important point, not in this particular case but in others, and I believe your predecessors have always ruled that it is not proper to ask ministers questions in the House of Commons except about those matters for which they have a constitutional responsibility to the house.

As to the substance of the hon. gentleman's question, the matter has not yet been considered by the government, and until it has been considered I would not presume to speak for the government.

GRAIN

WHEAT—REQUEST FOR STATEMENT ON MINIMUM PRICE

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): I should like to direct a question to the Minister of Agriculture. In view of the fact the farmers in the west are now in the midst of seeding operations and a reply would have a bearing on the amount of wheat sown, would the minister indicate to the house whether the government intends to introduce legislation at this session of parliament to provide for a minimum of $2 per bushel for wheat, to take effect immediately, or does he not consider that important enough to be decided within the 60 days of decision?

Hon. Harry W. Hays (Minister of Agriculture): I think this question has already been asked. This is a matter of government policy and will be dealt with later.

HOUSE OF COMMONS

REQUEST FOR PROMPT DELIVERY OF "HANSARD" TO MEMBERS

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): May I ask the Secretary of State and house leader if, for the orderly and efficient conduct of business in the house, he will see that *Hansard* is available to all members prior to the opening of the daily sitting, and not to just a few as occurred today.

Mr. Speaker: If the minister will allow me, I may say I was advised this morning that *Hansard* would be late in arriving. It will be on the desk of every hon. member by noon today. I was asked also to request hon. members to leave their Commons *Hansards* here in the Commons for personal reference so they may be filed from day to day.

(Translation):

CANADIAN NATIONAL RAILWAYS

POSSIBLE SUCCESSOR TO PRESIDENT UPON RETIREMENT

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to put a question to the Minister of Transport. Can the minister tell us whether it is true that the president of the Canadian National Railways would be soon replaced by the present Minister of Justice?

(Text):

Hon. G. J. McIlraith (Minister of Transport): I would point out at once that this is not the proper form of question to ask of a minister, whether some statement he has made is true. If I were to reply truthfully to a question in that form I would immediately be in violation of the rules by making remarks about the hon. member.

(Translation):

Mr. Gregoire: A further question, Mr. Speaker. Could the minister tell us when the term of office of the present president of the Canadian National Railways will expire?

(Text):

Mr. McIlraith: I should like to check the date, and I can give the hon. member an answer if he will put his question on the order paper in the ordinary way.

(Translation):

INDIAN AFFAIRS

QUEBEC—PROVINCIAL JURISDICTION OVER ADMINISTRATION AND EDUCATION

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to put a question to the Minister of Citizenship and Immigration who is responsible for the administration of Indian affairs. Does the minister intend to recommend to the government that it should comply with the wish of the government of the province of Quebec so that the administration and education of the new Quebec Indians may as soon as possible come under the sole jurisdiction of the Quebec government?

Hon. Guy Favreau (Minister of Citizenship and Immigration): Mr. Speaker, in reply to the hon. member, I may say that the problem concerning the education of Indian children is under consideration at present, as well as other matters of policy relating to Indian affairs.

(Text):

INDUSTRY

CHIGNECTO—INQUIRY AS TO SURVEY INTO INDUSTRIAL COMPLEX

On the orders of the day:

Mr. Robert C. Coates (Cumberland): I should like to direct a question to the Secretary of State. Has a comprehensive investigation been instituted by the present government into the potential of the Chignecto complex?

Hon. J. W. Pickersgill (Secretary of State): I am afraid I was unable to hear the hon. member. If he could pose his question in a slightly louder voice, having regard to my infirmity, I might hear him.

Some hon. Members: Which one?

Mr. Coates: Perhaps if I were given a better seat on this side of the house, Mr. Speaker, it might help. I asked whether a comprehensive investigation had been instituted into the potential of the Chignecto complex by the present government.

Mr. Pickersgill: No survey has been undertaken by the present government, but my recollection is that the previous government boasted that this matter had been under consideration for the whole six years they were in office.

Mr. Coates: Since the Atlantic development board has been left in such a state by the amendments that are proposed by the present government, I wonder if the government could now try to get an investigation carried out by whatever is left of the board.

Mr. Pickersgill: I should be delighted to take the hon. gentleman's suggestions under consideration.

PUBLIC SERVICE

INQUIRY AS TO SALARY INCREASES FOR CERTAIN CLASSES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Minister of Finance. My question relates to the civil service pay increases that were announced by the previous minister of finance on December 10. Have the various groups of civil servants who were not given pay increases at that time received them in the meantime? If not, will the gaps be filled soon?

Inquiries of the Ministry

Hon. Walter L. Gordon (Minister of Finance): The Civil Service Association of Canada has asked for consultations on the question of pay increases. These consultations began last week, and there is another meeting called for this afternoon. I hope the matter will be cleared up very soon.

Mr. Knowles: May I ask a supplementary question. What about the various groups of employees of the House of Commons? Have they all had their increases?

Mr. Gordon: That also is under consideration.

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mr. Donald MacInnis (Cape Breton South): I have a question I feel would be best directed to the Secretary of State for External Affairs. Yesterday I had a desk delivered to my office in which I found a rather valuable item, and possibly the minister could direct me to the owner.

Some hon. Members: Question.

Mr. MacInnis: The item can be identified by looking at it, because it says "Paul Martin for prime minister".

(Translation):

Mr. Real Caouette (Villeneuve): I should like to direct a question to the Prime Minister. Does the Prime Minister apprehend an inflationary pressure in Canada due to the overgenerous dividends paid by his party during the last election campaign?

(Text):

POWER

COLUMBIA RIVER—INQUIRY AS TO MEETING WITH B.C. PREMIER

On the orders of the day:

Mr. D. V. Pugh (Okanagan Boundary): May I direct a question to the Prime Minister. This question is related to the question asked of the Prime Minister concerning meetings with the premiers of the other provinces. Has the premier of the province of British Columbia yet replied to the letter from the Prime Minister concerning a meeting about the Columbia river?

Right Hon. L. B. Pearson (Prime Minister): I think the premier would have received my letter only yesterday or the day before. I have not had a reply from him as yet.

[Mr. Knowles.]

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Monday, May 20, consideration of the motion of Miss Pauline Jewett for an address to His Excellency the Governor General in reply to the speech from the throne delivered by His Excellency the Administrator at the opening of the session, and the amendment thereto of Mr. Diefenbaker.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, when the house adjourned last night I was dealing with some of the more glaring omissions from the throne speech. I said that in the light of those omissions, and in the light of the number of questions to which the government in the last two or three days has answered that government policy would be announced in due course, I hope that the 60 days of decision are not to be replaced by 60 weeks of indecision.

The government cannot be allowed, and must not be allowed, to dawdle. It is in a position in which it must either perform or perish. Earlier in my remarks I said that the opposition groups have a responsibility not to indulge in frivolous obstruction, and that the government in turn has a responsibility to tackle aggressively the problems facing the country and to consult parliament on major policies.

Mr. Speaker, I want to place before the house my contention that the government has already shown a callous disregard of parliament and parliamentary institutions. What is the role of the executive in relation to parliament, and particularly the role of a minority government in relation to parliament? I cannot give the house any better statement than to quote from the speech made by the leader of the Liberal party, addressing a meeting of Liberal M.P.'s and their supporters in the metropolitan area of Toronto on September 18, 1962. This is not taken from a press report but from the press release actually issued by the office of the leader of the Liberal party. At that time the present Prime Minister said:

> The other aspect of the election to which I wish to draw special attention is the complete contempt of parliament shown by the Prime Minister since he was left as the head of a minority government; and this by the man who cannot make a speech without boasting how he has restored the rights of parliament.
>
> Responsible government, which was not gained in Canada without bloodshed, is the foundation of our independence and our democracy in this country.
>
> What do we mean by responsible government? We mean that the Queen's ministers are responsible to the elected house of parliament. They have the

right to remain in office only so long as they have the confidence and support of a majority of the elected representatives of the people.

In a parliament where no political party has a clear majority, this confidence cannot, of course, be taken for granted by the government.

The first such parliament in our times was the one elected in October, 1925. At that time Mr. Mackenzie King decided to remain at the head of a minority government until parliament could meet and decide whether or not his government should continue in office. But, and this is in strong contrast to the conduct of the present Prime Minister, Mr. King's government made no appointments and took no action beyond that required for the day-to-day routine business of government until parliament had met and decided the question of confidence.

The leader of the Liberal party went on:

As soon as it met the acting prime minister, as leader of the government in the house, sought at once to get a vote of confidence without even waiting for action by the opposition. After a very lengthy debate the government was sustained by a vote of 123 to 120. The essential point is that the Liberal government of that time did not presume to do more than to act as a caretaker government until the ministers were assured of a majority in parliament, and took steps to decide that point at the earliest possible moment.

The statement goes on:

I insist that nothing should be done in this parliament or by this parliament until the question of confidence has been settled in the proper constitutional way.

Unless that question is settled first, the right of parliament to control the executive will have ceased to mean anything. No plea of urgency and no excuse should be accepted by the elected representatives of the people, for any further delay in settling the question as to whether or not the Diefenbaker government possesses the confidence and has the support of a majority in the new House of Commons.

I agree with that statement. If the leader of the Liberal party meant it, then it is a ringing declaration of faith in parliamentary government. If he did not mean it, then it is nothing more than hypocritical claptrap, and only time will place this statement in its true perspective.

I suggest, Mr. Speaker, that the Prime Minister and his colleagues have not made a very good start in this direction. I refer to two matters. First of all I refer to the announcement by the Minister of Fisheries and the Secretary of State for External Affairs that they have decided to accept two recommendations by the international north Pacific fisheries commission to permit Japan to fish for halibut in the east Bering sea and for herring off the Queen Charlotte islands. Apart altogether from the merits of the case, surely it would have been proper to have allowed this house and the fisheries committee of the house to go into this matter and express an opinion. Surely the request of the fishermen involved that they be allowed to make representations to the House of Commons committee on marine and fisheries was not unreasonable. What was the hurry? I think we have a right to know.

Does the government intend to deal with this matter by an order in council, a minute of cabinet or an executive order, or does it intend to refer this matter to parliament? If it intends to refer it to parliament, then why has a decision been made before parliament has had any opportunity to express its opinion?

An even more glaring example of this disregard of parliament is the government's announced decision to acquire nuclear arms for Canadian forces in Canada and Canadian forces in NATO. In this connection I refer to the speech from the throne, where it says:

For this purpose, the armed forces of Canada should have available the modern weapons necessary to perform effectively the defensive tasks which Canada has undertaken in the alliance.

In this context modern weapons can only be interpreted as referring to nuclear arms. Therefore I wish to move a subamendment.

We cannot support the amendment proposed by the leader of the Conservative party. There are two statements in particular in that amendment, one of which speaks of Canada's economic growth during 1962 as exceeding that of any country in the western world. I would challenge that statement on the basis of growth in terms of constant dollars, taking into consideration price changes. Certainly countries in western Europe with more pronounced economic growth and with unemployment of less than 2 per cent could hardly be said to have had less economic growth and stability than Canada.

I also refer to the last phrase, "to give the people of Canada full opportunity to continue the social advances and economic growth of the past year". I would point out that these social advances and economic growth still left over 500,000 unemployed in this country and large areas of our population with a very low standard of living. Therefore I move, seconded by the hon. member for Kootenay West (Mr. Herridge):

That the amendment be amended by deleting therefrom all the words after the word "address" and by substituting therefor the following words:

We regret that Your Excellency's advisers have indicated their intention of acquiring nuclear arms for Canadian forces, thereby lessening the chances for nuclear disarmament and increasing the danger of nuclear war.

Mr. Speaker, I should like to say a few words as to how the government have dealt with this matter since they took office on April 22. Within a few hours of being sworn in the Minister of National Defence (Mr. Hellyer) announced on television that nuclear

arms would be acquired for Canadian forces in Canada within six weeks, and for NATO forces in Europe within six months.

Mr. Hellyer: Mr. Speaker, on a question of privilege, that is not what I said. I wish the hon. gentleman would quote me accurately if he is going to quote me at all.

Mr. Douglas: Mr. Speaker, the hon. gentleman will have ample opportunity in the course of this debate to tell us what he said, but certainly I listened to the broadcast, and a great many of his supporters listened to the broadcast and telephoned me to tell me of their amazement because they had been told by the leader of the Liberal party that nuclear arms was not an issue, and yet one of the first things announced by the minister was the intention of the Department of National Defence to acquire nuclear arms.

Some hon. Members: Hear, hear.

Mr. Douglas: The week end before last the Prime Minister had conversations with the President of the United States, and he is reported as having announced that the decision had been made to acquire nuclear arms. The Toronto *Star* of May 13 says:

> Prime Minister Pearson said today Canada's acquisition of nuclear weapons did not require formal parliamentary approval.

The report continues:

> Unless acquisition of weapons for Canadian forces needed a formal treaty, there was no need for formal parliamentary approval, Mr. Pearson said.

That is a strange thing coming from one who talked about the rights of parliament and the need for preserving parliamentary democracy and making the cabinet responsible to the elected representatives of the people. The Prime Minister professed to be amazed that the New Democratic party had protested this decision prior to consultation with parliament, because the Prime Minister contended that he was simply carrying out a commitment which had already been made.

When was this commitment made, Mr. Speaker? The strange thing is that neither the leader of the Liberal party nor any of his supporters seemed to be aware of this commitment prior to January 12 last, when the leader of the Liberal party changed the party's policy in this respect. I have here the Saskatoon *Star-Phoenix* of November 29, 1962. Mr. Pearson was speaking to the University of Saskatchewan students, and this report says:

> Mr. Pearson drew loud applause from the students when he told them he was "definitely opposed to the acquisition of nuclear arms by Canada".

The report continues and quotes the Prime Minister as saying:

> "I am opposed to nuclear weapons because, if we allowed such armaments on Canadian soil, we could never take the lead in the United Nations in persuading non-nuclear nations to refuse to adopt nuclear weapons".

Mr. Woolliams: Why did he change his mind?

An hon. Member: Adlai told him.

Mr. Douglas: Six weeks later the leader of the Liberal party made a complete reversal of his position. What happened in those six weeks to suddenly convince him that there was a commitment—

An hon. Member: A Gallup poll.

Mr. Douglas: —that he must carry out?

An hon. Member: Paul went to Paris.

Mr. Douglas: When the leader of the Liberal party made his switch he then proceeded to say that those of us who were opposing nuclear arms were seeking to promote the first objective of Soviet policy. That was a contemptible statement.

Mr. Woolliams: Terrible.

Mr. Douglas: I have no right to deny the Prime Minister the privilege of changing his mind, but I deny him the right to impute motives to those who support the position which he abandoned only a few weeks ago. By whom was this commitment made? It was certainly not made by the government that was in office at that time. They said they had made no such commitment. Certainly parliament made no such commitment. By whom was the commitment made? It is true there were arrangements between the Department of National Defence of this country and the department of defence of the United States. Mr. Speaker, I suggest that no commitment can be made on behalf of this nation except by this parliament, the elected representatives of the people.

I can recall that only a few months ago Liberal members in this house excoriated the government of that day for imposing $250 million worth of surcharges without the approval of parliament. I agreed with them. But I submit, Mr. Speaker, that surely imposing nuclear weapons is a much more serious matter than imposing surcharges, and I contend that if taxation without representation is undemocratic, then annihilation without representation is tyranny.

The government of this country has no clearcut mandate to impose nuclear weapons on this country. Only this parliament can give them that mandate. We in the New Democratic party believe that the acquisition of nuclear arms by Canada will increase the danger of nuclear war and will lessen the chances of nuclear disarmament. We contend that this is a fateful decision which is being

made, and that this decision cannot and must not be made without being referred to this parliament. We believe that the members of this house should have an opportunity to state in clear and categorical terms whether or not Canada should acquire nuclear weapons at home or abroad.

For that reason, Mr. Speaker, I have moved this subamendment, in order that the house may have an opportunity to tell the government exactly where it stands on the matter of nuclear arms. In so far as this party is concerned, our position is unchanged. We believe that acquiring nuclear arms will add nothing to the military security of Canada. It will add nothing to the effectiveness of the NATO alliance. We believe that, on the contrary, it is a retrograde step; that at a time when the foreign secretary of the United Kingdom has made an appeal to the Soviet union not to extend nuclear arms to other countries which do not possess them, Canada might well set an example by saying that as far as we are concerned we intend to keep this country out of the nuclear club.

Mr. Lloyd Francis (Carleton): Mr. Speaker, may I join in the numerous congratulations which you certainly must have received on election to your present office. May I also extend my congratulations to the mover and seconder of the address. The trepidation they must have felt on making their maiden speeches in the house is certainly shared by myself at this moment.

Many of the members on this side of the house—I am referring especially to the newer members—have had backgrounds in academic circles and in the public service which make us proud to be associated with them. They will undoubtedly contribute a great deal to debate in this parliament and to public life in Canada.

The constituency which I have the honour to represent is one of the ten largest in Canada, and for 96 years it maintained its allegiance to one political party. I do not think the voters of Carleton can be accused of contributing to splinter parties in a house of minorities, to use a phrase which I believe the hon. member for Red Deer (Mr. Thompson) used yesterday. They do not lightly change their allegiance, but this riding has undergone profound changes, especially in the post-war period. It now includes a substantial portion of the national capital region and the city of Ottawa in addition to a large rural and agricultural area. In Carleton there are no strictly rural interests or strictly urban interests; one blends into the other. We depend upon each other. It will be my privilege to serve all the residents of this riding, both old and new. It has been represented in this house by many distinguished men who rose to high positions, including Sir John A. Macdonald and Sir Robert Borden. It is a great honour to succeed them.

One of the matters concerning which legislation is to be placed before this house, as indicated in the statement of the administrator, is the redistribution of electoral boundaries. I hope it will be possible to agree upon action in this field early in the session. Generally speaking, the people in our cities and new suburbs have been seriously under-represented in this house. Nearly two years have passed since the last census, and it is clearly time for action. Since this task is to be undertaken by an independent commission, a considerable number of months must elapse before redistribution can be brought about, so I sincerely hope it will be possible to introduce the measure at an early date.

The statement of the administrator also indicates that the standing committee on privileges and elections is to examine the Canada Elections Act. It is interesting to note that both the Leader of the Opposition and the Prime Minister have agreed that campaigns should be shortened. I feel this is much to be desired. There is also agreement that some limitation on election expenses will have to be imposed. I think, also, that the recent legislation which has been introduced in the province of Quebec will have to be examined closely. In urban ridings the principle of dual enumeration has worked extremely well. I suggest we might consider extending this principle so as to have the deputy returning officer named by one party and the poll clerk by another. This would reduce the number of election day workers required. Provision should be made to allow many persons, including civil servants and their families as well as persons in hospitals, to mail their ballots if they are unavoidably absent on election day from their normal places of voting. I think, too, that free radio and television time should be used as far as possible to promote debates on an interparty basis between candidates in the ridings and the leaders of the national parties. Those of us who have had any familiarity with this medium are concerned about the effect of a trend toward placing it in the hands of public relations experts, who tend to produce a calculated image. A return to debates of a more spontaneous nature would, I think, be welcomed as being generally to the good.

The proposal to establish a municipal development and loan board will be welcomed, I am sure, by all municipalities across Canada. Those of us who have served on municipal councils know the tremendous demands on them for new works of all kinds, such as

sewage disposal plants, sewers, water mains, roads, bridges, recreational facilities and a thousand other things. Measures such as federal loans to municipalities with forgiveness clauses for the development of sewage disposal facilities have set a pattern which has worked well. There is, I think, every reason to consider extending this pattern to other types of public loans. Careful administration, in co-operation with the provinces, of applications from rapidly growing communities whose credit has been strained to provide those municipal services now considered essential, will ensure success. New jobs will be created, and the burden of municipal property taxes lightened. Care should be taken not to disrupt local bond markets, or to make credit so easy that it would disrupt sound management of municipal budgets.

Closely associated with the program of the municipal development and loan board should be an expansion of federal assistance for urban renewal purposes. Older blighted areas should be redeveloped, but this requires capital on a scale not presently available to many municipalities.

The city of Ottawa, on whose council I have had the privilege of sitting for some years, should benefit from the new municipal development and loan board. The city of Ottawa has, however, a special and in many ways unique relationship to the federal government as part of the national capital region. As a municipality in its own right, the city of Ottawa is part of the national capital region. To members of the city council, members of parliament appear generally to be critical of city administration, especially of the potholes on Ottawa streets. The same members of parliament do not seem to be aware that the city borrows to the absolute maximum of its credit as permitted by the Ontario municipal board, and is seriously hampered by the inadequate grants in lieu of taxes paid by the largest employer in the area, namely the government of Canada. This chief employer makes demands for services, such as new bridges, which a private employer paying full taxes would have a right to expect. But the federal government does not pay what a private owner of property would pay to the city, and members of this house do not always seem aware of that fact.

Tonight I am offering my resignation to the council of the city of Ottawa in order to devote my full time to serving the city and the rest of the riding of Carleton as a member of this house. One of the matters which I hope the government will re-examine in the months ahead is the basis on which grants in lieu of taxes are paid by the federal government toward the development of the national capital. The federal government develops its plans for the national capital through the national capital commission established by federal statute. As the administrator noted in his statement, these are times of great change, times that test old virtues. Great changes have occurred in this metropolitan area of the national capital region. The rate of growth in the years between the censuses of 1956 and 1961 was exceeded only by two metropolitan areas in Canada. It is time to re-examine the relations between the national capital commission and the elected municipal government, and indeed between municipal governments themselves. This task will involve close liaison with provincial and municipal representatives.

The members chosen by the federal government to sit on the national capital commission should be chosen on the basis of their ability to contribute to the development of a national capital. Narrow political loyalty should not be the basis of selection, nor should reward for party service, and I am confident that future appointments made by this government will be on the basis of ability to make contributions. The long term development of a national capital which will be a source of pride from one coast of Canada to the other suggests, I think, that appointees to the national capital commission should not engage in active campaigning on the hustings at election time, and should observe after appointment a rule of non-partisan behaviour in so far as this is possible.

Mr. Speaker, our party, through its most capable leader, the Prime Minister of Canada, is alive to the needs of our changing times. A program to restore faith in Canada, to relieve unemployment and to promote national development is being laid before this house. The task before us is a very great one indeed, a challenge as strong as that which any generation has ever faced. I am confident that this government and this parliament will be equal to it.

Mr. Lawrence E. Kindt (Macleod): Mr. Speaker, I should like to join those who have preceded me in this debate on the speech from the throne and congratulate you on your appointment to your high office. May I say that it is not an easy office to fill with impartiality and recognition. From long experience and training I am sure you must have been taught to look straight ahead, but if it were possible to have a third eye on this side of your head, we over in this corner of the house might receive equal recognition with other members of the house. However, this is something which is impracticable, and whichever way you as Mr. Speaker work out the problem, it will be greatly appreciated by

those of us who sit in this corner. It might be suggested that you consult some of the women and get some sort of a rear view mirror arrangement in order that you may see all parts of the house at the same time. Whichever way you arrange it, we in this corner will be very appreciative.

I should also like to add my words of congratulation to the hon. member for Northumberland, the mover of the speech from the throne. I do so for two reasons; first because she made a wonderful speech, to which I listened with great attention. She had the information there, and her speech was brief and to the point. Second, she is a person who has had advanced training in political economy and economics. She is one among us in that field, and I hope that over the years she will be able to make that contribution which she is capable of to the thinking of the party in power.

Before going into the throne speech I should like to make one or two observations concerning some of the things which were said by the leader of the Social Credit party in his talk to this house yesterday. May I quote what he said, as reported on page 68 of *Hansard*:

> The real cause of the failure of the twenty fifth parliament was indecision and the lack of leadership given to that house of minorities by the government. I am not making these remarks to dig up the past, but what happened ought to be a lesson for the future to the present government. If the former government had laid a positive program before the house—

—and so on. We were all in the house on February 5 and know what took place. We know that on the evening of February 5, between six and eight o'clock, the deputy leader and the members of the Social Credit party from Quebec made a decision which was not altogether the decision of the leader of the Social Credit party. The deputy leader and his followers reached the conclusion that it would be better to have an election at that time and come back with 65 members rather than keep the then government in power. This was the reason for voting against the government and not the cover up statements made yesterday by the leader of the Social Credit party. These statements which were put before this house yesterday by the leader of the Social Credit party were for no other purpose than to give the impression that it was the things which he said, not the real political reason concerning his own party, which precipitated the last election. He went up and down the country, and I have heard him several times over television, repeating the story over and over again so that he actually believes it himself. The time has now come when the public should be put straight on the matter.

Who leads whom in the Social Credit party? Is it Mr. Manning? Is it the hon. member for Villeneuve (Mr. Caouette)? Or is it the hon. member for Red Deer (Mr. Thompson)? All through the last session the hon. member for Red Deer led about three people in the Social Credit party.

Mr. Caouette: Mr. Speaker, on a point of order, I do not think the hon. member has the right to blame any member of parliament or any other person in this House of Commons.

Mr. Kindt: I will deal with the hon. member a little later. During the last election campaign in the speeches made by the leader of the Social Credit party he said a week before the election that he was even going to be prime minister. He made statements of that sort to an audience in High River. Some 400 people turned out on a Saturday evening in High River to hear him, but 250 of them were Progressive Conservatives, and he left the meeting before any one of them could ask him a question about what he had said.

Now, this old idea of going up and down the country preaching debt-free money—

An hon. Member: What is that?

Mr. Kindt: —which in essence is nothing more than the old Aberhart $25 a month with a new twist.

An hon. Member: What a twist.

Mr. Kindt: As one Alberta farmer said, "If you go back to the time when Aberhart first promised us $25 a month, that would amount to around $9,600 by now, and with interest it would amount to around $14,000." He said, "If they will pay the $14,000 they promised I will get up on the table and shout hallelujah."

There is one other point. If you want to learn the truth about Social Credit, if you have not been living with it as we have in Alberta, you should read the report of the New Zealand royal commission a number of years ago and satisfy yourselves as to the false position of these Social Credit doctrines. You should also obtain a copy of a book by F. J. Docker called "Douglas Delusions". For the benefit of my friends down in the corner let me read this concluding statement:

> But it has been proved, it is hoped conclusively, that the bankers, when they issue credit, do so upon the individual credit of the person to whom the credit is granted, and as evidenced by the character of the security that is offered. It is not the general credit upon which the loan is made. Douglas, therefore, is left without any source for his distributions of dividends, or issues of "discount vouchers." The adoption of his

theories in any community could have but one result: chaos and irretrievable ruin for the unfortunate country that ventured upon the experiment.

I could quote other parts of the book. If these gentlemen in the corner would spend a little more time reading on the subject of economics instead of going out and preaching doctrines that are false, then the people of Canada would have the benefit of truthful statements.

An hon. Member: How about studying finance instead of economics.

Mr. Kindt: I have already taken finance, my dear boy. Even with all the things the leader of the Social Credit party said to the people, he barely squeaked by in the Red Deer riding, and instead of their party getting 65 seats in Quebec, lo and behold they came back with what; 18 or 19 from Quebec.

Mr. Caouette: How many did you get in Quebec?

Mr. Kindt: Instead of having one party they have three parties now, and I should like to know who leads whom in the Social Credit party. To come back to the speech from the throne, Mr. Speaker—

Mr. Leboe: You are doing fine. Why bother about the throne speech?

Mr. Kindt: I could say a lot more, but it would cut into my time. I am loaded for bear, and I do not have the time to talk too much about Social Credit. I want to go into the question of chopping up the Department of Agriculture. In one fell swoop the marketing of grain was chopped off and put under the Department of Trade and Commerce again. That left production and certain other relatively small phases of marketing under the present Minister of Agriculture.

I go one step further. They have taken the remaining 50 per cent and chopped it in two. We are going to have an eastern minister of agriculture and a western minister of agriculture with equal status. In other words we are going to have a kind of east-west Grey cup game where there will be plenty of followers on each side, and I can assure you they will be rooting for their particular side. This action, instead of uniting Canada and bringing about a united country, is going to sow the seeds of dissension and division. It cannot result in anything else.

I have been asked a number of questions by farmers. One farmer asked me this question. He said, "If they are cutting the department down to one quarter, what is the reason? Have they cut it down to fit the size of the man available to fill it? If so will they cut the salary to one quarter?" So far as I know there is only one country in the world that contemplates having two ministers of agriculture, which is what this government intends to do in Canada. This action is certain to promote nothing but confusion among the farmers and people generally. When our farmers want to know something about marketing, where are they going to go? If they want to know something about production, where are they going to go?

In other words, the department has been chopped up. If you look at the table of precedence as found on page 3 of the debates of the Senate for May 16, 1963 you will see that agriculture is 26th. It is right at the bottom of the totem pole. It is the caboose. In other words the government has ranked it as the least important of all departments in order of precedence. That is what this government thinks of the Department of Agriculture and the problems of agriculture.

We in western Canada all remember the three periods we have gone through. First of all there was the C. D. Howe period. The deputy minister to Mr. C. D. Howe is now the new Minister of Trade and Commerce. We all remember Mr. Howe's famous statement:

We have the best wheat in the world and if they want it let them come and get it.

There was no effort to get out and sell wheat. They simply took orders. Quotas were down to four bushels. Many farms in western Canada were abandoned. The cost-price squeeze forced them out of operation. As one who lived through that period I want to say that there was terrific distress among the farmers of western Canada. The bins were full of wheat, and all you have to do is talk to the farmers to know what took place during the C. D. Howe period. They depended upon the government for action but there was no action.

After the Progressive Conservative government came into power there was agitation to have the Department of Agriculture put back together again. That was done by putting the wheat board and also farm credit under the former minister of agriculture, one of the greatest leaders that agriculture has ever seen, Hon. Alvin Hamilton.

I do not need to tell you, Mr. Speaker, what has happened. I do not need to tell you about the sales of wheat to China and Japan, or how the wheat bins out west were emptied, or how the wheels started turning. All I have time to say is this. Under the direction of one man the farmers got results. There was co-ordination among the various branches of government. The minister of agriculture was able to tell the farmers, we want you to grow so much wheat, and if you grow it

we will market it for you. They loved it. They were told also how much barley to produce and how much oats to produce. This one man had his finger on the market and he also had his finger upon production. When you divide these two functions, what have you got? Nothing but chaos, nothing but false starts and stops, nothing but jealousy between departments and inaction.

As you know, since this government have come into power we have entered a third phase. They have torn the department apart again. They have put marketing back under trade and commerce and they have left production under the present minister. Everything is now arranged and they are back where they left off in 1957. The arrangement is perfect for them to go to sleep again. This is what the farmers of western Canada fear, and they might well be afraid of it.

If this government go back to sleep, if they lose these China sales, these 75 million bushels a year, then the quotas for western farmers may drop as low as five bushels per acre. These farmers are now enjoying almost unlimited quotas, say 10 bushels per acre, but they will find themselves in a position where they will have to go back to feeding pigs in order to get rid of their wheat. One of the first statements made by the new Minister of Trade and Commerce (Mr. Sharp) was to the effect that he would not go behind the iron curtain to sell wheat. He made this clear the second day after he came into office. However, he had time to arrange a trip to Geneva. He put other things first. He also had in his mind, as the government had, that agriculture stood at the bottom of the list in terms of priorities. The minister's Geneva trip was far more important to him than putting forth every effort to retain wheat sales to China.

The government's efforts in so far as wheat sales are concerned are now divided. What the Department of Agriculture needs, what any organization needs if it is going to click, as any businessman can tell you, is one man in authority. One man must be able to wield the whip and get sales. This situation does not mean anything to the present government. They have divided the responsibility so they can all go back to sleep again.

Now I want to spend a minute or two on the question of industry. I notice that according to the speech from the throne a new department of industry is to be set up. According to the speech from the throne it is proposed to establish an area development agency. This agency will work with the provincial governments and other organizations to co-ordinate programs for parts of the country where, because of chronic unemployment, a special thrust for development is needed. This government is going to use chronic unemployment areas as the touchstone or as the approach in deciding the location of new industry.

Then the speech from the throne indicates that we must create new industries. The fiscal and monetary policies of the government will give priority to the encouragement and expansion of industry. However, two approaches toward the question of the location of industry are revealed by what I see in the speech from the throne. One approach is the chronic unemployment area, and this is the approach this government intends to follow. The other approach, and the method which is usually followed under the free enterprise system, is to locate industries not in surplus unemployment areas but in those areas where they have the greatest economic advantage.

The surplus unemployment areas are mostly in Quebec and Ontario, as everyone knows. There are ten cabinet ministers from Ontario and eight from Quebec. These ministers have fixed up the speech from the throne, and I can see the handwriting of the Minister of Finance (Mr. Gordon) in it. Instead of deciding to locate industries in places in Canada where they would have the greatest chance of success, they have decided to put them in surplus labour areas. Instead of establishing industries in Alberta, the government intends to put them in Ontario and Quebec. If this criterion is followed the majority of the industries will be in Ontario and Quebec, with a few scattered over the other parts of the country.

If you investigate the free enterprise approach to the location of industries you will note that businessmen try to locate industries close to a supply of raw material. Where do these raw materials exist in the country? They exist in the prairie provinces and British Columbia. There is a great source of cheap hydrocarbons on the prairies. In fact there are tremendous quantities of hydrocarbons that are being flared because there are no industries available to use them. The country, and the people in the west, are crying aloud for new industry, but they are not going to get it under the new department of industry which is to be set up. The speech from the throne says:

> It will be proposed that, within the new department, there will be established an area development agency. This agency will work with the provincial governments and other organizations to co-ordinate programs for parts of the country where, because of chronic unemployment, a special thrust for development is needed.

These industries are not going to be located in Manitoba, Saskatchewan, Alberta or British Columbia because in most of those provinces there are not chronic unemployment areas

sufficient to justify the expenditure of public funds for new industries. The policy of putting these industries in the chronic unemployment areas is a trick or a method to be used by the government in order to locate industries in the east. Instead of having decentralization of industry and having industries spread all over western and eastern Canada, industries are to be located in Ontario and Quebec.

Mr. Deputy Speaker: Order. I regret to interrupt the hon. gentleman, but his time has expired.

Mr. Kindt: May I just make one concluding remark, and it is this. I notice nothing whatever said in the speech from the throne about the development of the north and this, I claim, is one of the greatest mistakes so far made by this government.

Mr. M. J. Moreau (York-Scarborough): I would like to offer my congratulations to you, Mr. Deputy Speaker, on your election to high office, and I also wish to compliment the mover and seconder of the address in reply to the speech from the throne. Like them I am also a new member in the house, and I hope my maiden speech will approach the standards they have set for debate in this chamber.

The recent election campaign really began in my riding of York-Scarborough when the right hon. Prime Minister made his now historic stand on defence. The Scarborough speech, as it became known, was made at my nomination meeting on January 12, and it played a large part in precipitating the defeat of the last government. For this I believe most Canadians will be eternally grateful, and I would like to extend my thanks to the Prime Minister on his choice of location for that speech.

As most hon. members know, my riding is the most populous in Canada. For this reason I feel I bear a heavier responsibility than most in adequately representing, or attempting to represent, nearly 300,000 people. As a matter of fact quite a number of hon. members now sitting in the house are electors in my riding.

Although York-Scarborough is considered a dormitory by many, it is also a riding with many industries, farms and other varying interests. Its 163,000 electors represent a cross section of our country. Indeed most of them, like myself, are recent immigrants to the area, the largest number having migrated to the riding during the past 10 years. They come from every part of Canada and from many parts of the world, but while they have varying backgrounds and face many different problems they all share one common problem.

We in York-Scarborough live in a rapidly expanding suburban riding and face great difficulty in providing the new schools, hospitals and other municipal services so urgently needed. We know that municipal taxation cannot provide the necessary funds quickly enough. In particular, since 1956 the costs and difficulties of municipal borrowing have been crippling the development of our communities. Indeed, the foreign currency debt of Canadian municipalities is very unevenly distributed in Canada, and in fact three quarters of this debt presently outstanding has been incurred by seven urban centres in Canada, of which Toronto is one. The bulk of this foreign debt was incurred since 1956 and has added considerably to our currency exchange difficulties of recent years. I mention these facts to indicate that the creation of a municipal development and loan fund is long overdue, and it was with great pleasure that I heard the proposal to create such a fund in the speech from the throne.

I also heard with pleasure the announcement of a commission to undertake the redistribution of our electoral boundaries. This is a matter of prime concern to many hon. members from urban ridings, but it is of particular importance to the electors in my riding. Redistribution has been an election issue in York-Scarborough since 1957. Indeed my predecessor made it one of his prime election issues in all four campaigns since that time. Unfortunately he apparently was unable to get his government to give the matter very high priority, because nothing concrete was done. Meanwhile the riding keeps growing, and the problems of representing this large group of electors become more difficult, not to mention the difficulties of campaigning and the expenses involved in conducting an election campaign.

I could draw comparisons with ridings where constitutional guarantees exist, to which I am not opposed; but the inequities of representation even in the province of Ontario are considerable. The riding of Bruce, with a population of 30,000, has the same numerical representation in this house as my riding with a population of almost 300,000 people. At this rate, using 30,000 as the yardstick, my riding should have elected at least nine members, certainly sufficient to have corrected the minority situation which exists in the house. In this respect perhaps we can see a clue to the difficulties my predecessor encountered in achieving any results from his government on this matter.

I might add that the electors of my riding saw fit to give me the largest total vote recorded in Canadian history, really a result of the large size of the riding, and it is an

achievement I would not care to repeat. I am sure my wishes are shared by many hon. members when I say I hope the government will proceed with all speed to introduce legislation regarding the appointment of a commission to redraw our electoral boundaries. I was further heartened yesterday when, in debate, the Prime Minister reaffirmed the government's intention to proceed quickly in this matter.

(Translation):

I was happy to learn also from His Excellency, in the speech from the throne, that the government intends to institute a royal commission to examine the problems of bilingualism and biculturalism in Canada. I feel that a solution has to be found for those problems; otherwise, nothing worth while can be accomplished in our country. National unity is a prerequisite to the solution of the other problems which we have to face at this time on the home front.

In my opinion, in the speech he made yesterday, the Prime Minister (Mr. Pearson) acknowledged that too small a number of English speaking Canadians understand those problems.

I should like to point out also that I am in favour of the adoption of a distinctive flag. In the course of my work and of my travels in practically every corner of this country, I noticed that most Canadians share my views in this connection.

(Text):

Although no definite policies were announced in the speech from the throne regarding the development of our national resources, I was encouraged by the fact that the subject did merit mention. As a mining engineer, and realizing the importance of the resource industries to our future growth and prosperity, I was naturally most interested in the government's plans in this area. I notice, too, a large number of questions on the order paper dealing with gold production, mainly from the hon. member for Villeneuve (Mr. Caouette). I hope the government is giving consideration to revising the Emergency Gold Mining Assistance Act. The very name of this act has lost all significance, in that it indicates that an emergency has existed since 1948. This assistance, in my opinion, should formally be given some permanence in order that the communities involved can make longer range plans for their own development.

I believe also, Mr. Speaker, that some consideration should be given to changing the way in which the assistance is given. At the present time we are paying subsidies based on production costs and therefore penalizing our most efficient producers. It is my belief that an increase in the basic price of newly mined gold in Canada would be a more effective way of giving assistance to that industry. It would encourage efficiency of production and would stimulate much new production of gold in Canada. We can, I am sure, from increased corporate and individual income taxes justify such an increased basic price with no loss to the treasury, not to mention the increased employment which would result from increased production and the improvement of our currency exchange position through production being readily convertible to United States dollars.

There is also, Mr. Speaker, the matter of regulations governing the development of resources on Indian reservations. These regulations, while perhaps designed to protect the interests of the Indians, have so limited exploration on Indian reservations as to have had, in my opinion, the reverse effect. These and other matters dealing with resources development will, I am sure, be given some consideration by the government. I am looking forward to an opportunity to discuss these matters more fully in the future.

In conclusion, Mr. Speaker, I should like to express my pleasure at the content of the speech from the throne. It included practically everything promised in my campaign literature. It was also my great pleasure, as a newly elected member, to be given the opportunity to occupy my seat in this chamber so soon after the election. This is in quite startling contrast to what happened in the last parliament.

(Translation):

Mr. Deputy Speaker: The hon. member for Joliette-L'Assomption-Montcalm.

(Text):

Some hon. Members: One o'clock.

Mr. Deputy Speaker: Shall I call it one o'clock?

Mr. Pickersgill: Mr. Speaker, as it is not one o'clock—

Mr. Deputy Speaker: I do now leave the chair.

Mr. Pickersgill: Mr. Speaker, I think in the particular circumstances you should call it one o'clock, but I would hope that hon. members who are on the list to speak would be available.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): My first words are to thank the Secretary of State (Mr. Pickersgill) for his intervention shortly before one o'clock.

Mr. Speaker, I wish to congratulate you on your election to the distinguished place you now occupy in this house. We have all had the opportunity during past years to appreciate your competence, your knowledge and your integrity. We know that the office of Speaker is one of high responsibility. We of the loyal opposition will look to you for protection and guidance. Since you are bilingual, the debates should not go beyond the limits permitted by the rules or by the need for honest and frank discussion.

(Translation):

Mr. Speaker, I am pleased also to congratulate the hon. member for Stormont (Mr. Lamoureux), who now holds the office of Deputy Speaker. I extend to him my best wishes and sincere congratulations.

We know, Mr. Speaker, that you will prove equal to the task, and we are happy to congratulate you upon your appointment to that high office.

(Text):

We should not become so immersed in the problems of government as to forget what made yesterday. Our party, sitting in opposition, which in itself is an institution in accordance with British parliamentary practice, is favoured by the fact that its great leader has been re-elected. There is no doubt that the Leader of the Opposition (Mr. Diefenbaker), even though as prime minister he encountered the most difficult years in the history of our country, performed an excellent job. His name is linked with many important reforms and his fierce struggle during the political campaigns is always, for us, an incentive to fight for the good cause. My right hon. friend had to fight against three powerful parties as well as against foreign capital. He led us almost to victory once again, and nobody doubts that if the campaign had lasted one more week he would still be the prime minister of this country. He is a great leader, and we are proud and fortunate to serve under him.

(Translation):

Mr. Speaker, the head of the present government (Mr. Pearson), made a poor showing during the last electoral campaign. He contradicted himself from beginning to end on the question of nuclear arms. Indeed, according to *La Presse* of March 20, 1963, the hon. member for St. Jean-Iberville-Napierville stated at a meeting which was attended by the distinguished member for Hull (Mr. Caron):

> The premier of Quebec will soon become the prime minister of Canada.

Mr. Caron: That is not what was said.

[Mr. Pigeon.]

Mr. Pigeon: That is what newspapers like *Le Devoir* and *La Presse* reported. I would not want the member for Hull to insult newspapermen. I know he has a great deal of consideration for them.

Mr. Speaker, I should now like to list the reasons of our defeat.

(1) There was an inflow of U.S. dollars to ensure that Canada would become an American satellite.

(2) Numerous promises were made.

(3) Support was given by Quebec.

After the election, American finance was used to try to buy off several members of parliament.

In *Le Devoir* of May 14, 1963, the hon. member for Sherbrooke (Mr. Chapdelaine) is reported as saying during a caucus in Ottawa, that $50,000 in American funds were offered to him as the price of his open support of the Liberal party. And what about the six Social Credit members?

The premier of Newfoundland (Mr. Smallwood) and the hon. member for Bonavista-Twillingate (Mr. Pickersgill) who spent some time in Nassau after the election, could shed some light on this matter.

I would recommend that the government convene immediately the committee on privileges and elections to clear up this smelly business and to punish those who have tried to bribe members of the parliament of Canada.

A great deal of publicity was given to the number of Quebec members who were appointed to the cabinet.

Quantity does not mean quality.

I have here an excerpt from the newspaper *Le Devoir* of April 23, 1963, which I quote:

> Has Mr. Pearson chosen the most dynamic elements of his Quebec deputation? One feels that there was a compromise. On the one hand, the old guard: Messrs. Lionel Chevrier (whose selection was a must), Azellus Denis and Jean-Paul Deschatelets (the least that can be said about them being that their selection was not a must), as well as Mr. Lucien Cardin, who replaces Mr. Sevigny.
>
> On the other hand, the newcomers: Mr. Maurice Lamontagne to a position of honour—probably temporary—but not of influence; Mr. Guy Favreau to immigration, and Mr. Rene Tremblay, without portfolio.
>
> Those whose absence is disappointing but can be easily explained: Messrs. Maurice Sauve and Jean-Luc Pepin—the former because he had become the symbol of the new frontier and was sacrificed to the backbenchers, the latter because he has just arrived.
>
> In short, the "young" team is relegated to the bottom of the ladder. Make way for the good old Liberal stalwarts.
>
> For the moment, therefore, we are gaining in number but very little in quality and in influence.

And I am quoting from the April 27, 1963 issue of the newspaper *La Presse*:

> But what about his actions?

That is the question. If we were right now to judge Mr. Pearson on the appointments he has just made to the ministry, we would have to infer that he has not understood a great deal about the aspirations of the French Canadian people in 1963. He has behaved like a sort of immature Mackenzie King, who has made some progress in arithmetic but very little in sociology—

And the article goes on to say:

Who has been appointed at the head of the departments of Finance, of Defence, of Trade and Commerce, of Industry, and of Defence Production? Messrs. Gordon, Hellyer, Sharp and Drury.

By keeping his French Canadian collaborators out of the departments which have to do with the economy of the country Mr. Pearson is confirming once more the legend regarding our incompetence in such matters, even though the Quebec voters have given three economists to his party: Messrs. Maurice Lamontagne, Rene Tremblay and Maurice Sauve. But Mr. Lamontagne will deal with biculturalism, Mr. Tremblay with agriculture, and Mr. Sauve . . . with nothing at all, since the high efficiency and the genius-like intelligence of Messrs. Azellus Denis and Jean Paul Deschatelets were given preference over him. Such a selection obviously made automatic the choice of departments given to them; it is a well-known fact that the Post Office and Public Works Departments have more to do with patronage than any other field of human knowledge—

We must therefore bow to the obvious fact: Mr. Pearson has not understood that since Mackenzie King's time, French Canada has changed.

Mr. Speaker, may I read an excerpt of the speech made in this house by the hon. member for Îles-de-la-Madeleine (Mr. Sauve) at the end of the last session and in which we find comments which would prove our newspapermen right. This is what the hon. member said on December 18, as can be seen on page 2776 of the official record:

We have often given our mass support to this or that party which has made up the government, but we have given to our partners, to the Anglo-Saxon majority, the right to govern. We have nearly always obtained unimportant portfolios.

Mr. Speaker, with regard to the nomination of French speaking parliamentary secretaries, we notice that their number is very small, in fact there are only three of them. Moreover, there is very little competence to be found among them, except for the hon. member for Hull (Mr. Caron), who is well known to me and who was a very active member when he was in the opposition. I want to tell him that I am happy about his nomination as whip of his party and parliamentary secretary to the Prime Minister, though I think that the people of Hull would certainly have preferred to see him accede to the post of minister of labour, because when he was sitting on the opposition benches, he was the official spokesman of his party on matters pertaining to the Department of Labour. I tender my best wishes to him in his new office and in the discharge of his great responsibilities.

During the last campaign, Mr. Lesage had Mr. Pearson elected in Ottawa so that Quebec might obtain part of its taxation powers, and thus be able to look after its cultural, economic and educational needs. But I am very much afraid that the 12 months of Mr. Lesage's ultimatum are not worth much more than the 60 days of decision announced by the Prime Minister.

The hon. member for Outremont-St. Jean (Mr. Lamontagne) is reported to have refused the finance portfolio. In this regard, I quote the following from *La Presse* of May 20, 1963:

It will be remembered that just before the election, the premier of Quebec requested from Ottawa a revision of the tax structure (in particular 25 per cent of the personal income tax) as a condition for his support of Mr. Pearson.

Mr. Pearson, who no doubt owes his victory to that support, is said to have trouble keeping his word.

Thus, according to well informed sources, Mr. Maurice Lamontagne has refused the finance portfolio Mr. Pearson intended to give him.

Though the member for Outremont-St. Jean felt qualified for such an appointment, he was not prepared to be the scapegoat with regard to Quebec.

In a telephone interview from his home last night, Mr. Lamontagne refused to deny or confirm the information above and simply declared that he had no comment.

Mr. Speaker, the hon. member for Outremont-St. Jean refused to assume responsibilities because he did not want to return to the provinces, particularly the province of Quebec, their sources of revenue.

The hon. member for Outremont-St. Jean should immediately tender his resignation.

The speech from the throne is for neo-federalism. There is no mention of a decentralization of the powers of taxation. The right hon. Prime Minister is not even aware of Mr. Lesage's ultimatum. The speech of the throne, in my opinion, is essentially a document of centralization.

My fears are well founded if we consider that the hon. member for Outremont-St. Jean, who wrote "Fédéralisme canadien" in 1954, is responsible as President of the Privy Council, for federal-provincial relations, public administration matters and the Canadian economic council.

This is what Mr. Lamontagne wrote in his book:

In short, the right recognized to the provinces by the constitution to use direct taxes is illusory to a very great extent, especially if the federal government is required to perform its duties of ensuring economic stability.

The following is to be found on page 264 of the same book:

Therefore, it seems that the subsidies paid by the central government to the provinces are inevitable at the present time and are firmly established in our political tradition. The system of fiscal arrangements designed to answer the problem of the provinces' financial requirements offers a first solution based on federal grants.

Those quotations reveal a great deal of the present government's intentions respecting the new direction to be given to the confederation and its frequent consultations with the provinces. No mention is made in the speech from the throne of constitutional reforms, and even less in the way of a greater degree of decentralization.

Mr. Speaker, the centralization of revenue sources by Ottawa is the main reason for the separatist movement which exists today.

Mr. Lesage and the present leader of the federal government were those mainly responsible for centralization a few years ago, on the advice of the hon. member for Outremont-St. Jean. Today, Mr. Lesage is backing out and is becoming an autonomist. I am not blaming him, but I shall question his sincerity towards the province of Quebec as long as he does nothing to force Ottawa to beat a retreat as a Quebec premier did before. Mr. Lesage has not even delivered his ultimatum in writing to Ottawa. Is he being sincere, Mr. Speaker?

The premier of Quebec showed weakness in his demands, that is in asking for the return of 25 per cent of the personal and corporation income tax and 100 per cent of the succession duties.

He should insist upon 100 per cent of the personal and corporation income tax. And should Ottawa refuse to give in, let Mr. Lesage take steps. Then we shall know how sincere he is.

In addition, Mr. Lesage should demand:

1. That the federal government withdraw from joint programs;

2. That censure at the C.B.C. come under the government of the province of Quebec;

3. That the federal government withdraw from the field of education;

4. That Indian affairs and those of the Eskimos of new Quebec come solely under the administration of the province of Quebec.

Mr. Speaker, confederation is now in danger.

Here are, for instance, the amounts collected in Quebec by the federal government in 1961-62 as direct taxes only.

Personal income tax	$469,827,176
Corporation income tax	405,352,708
Non-resident income tax	35,540,690
Estate tax	14,991,904
Total	$925,722,478

By comparison, let us note that during the same period the total revenue of the Quebec government from direct and indirect taxes was only $754,107,000. So, the amount paid each year to Ottawa in taxes is larger than the total revenue of the Quebec government.

At present, Mr. Speaker, the province of Quebec collects 17 per cent of the personal income tax and less than 11 per cent of the corporation income tax. As far as the estate tax is concerned, Quebec collects about 50 per cent.

Not only the province of Quebec, but every province in the confederation is sinking into debts.

For instance, the province of Quebec, these last few years, has imposed 12 new taxes to meet its needs. First of all, the Quebec taxpayers are bearing a total debt of about $6 billion, if we add up the liabilities of the province, of the municipalities and of the school boards. Second, the direct and indirect debt of the Quebec government will then amount to $3,700 million, that is close to $4 billion. The average per capita debt in Quebec amounts to $675.

For the 1963-64 fiscal year, the Quebec government forecasts a $146 million deficit.

Here is the progression of the deficits:

1957-58: no deficit, but rather a surplus of $273,014;
1958-59: no deficit, a surplus of $373,738;
1959-60: deficit of $303,147;
1960-61: deficit of $108 million;
1961-62: deficit of $111 million;
1962-63: deficit of $183 million.

And the progression of borrowings is also getting larger:

1957-58: none;
1958-59: none;
1959-60: $25 million;
1960-61: $110 million;
1961-62: $150 million;
1962-63: $225 million.

For instance, Mr. Speaker, the Montreal Catholic school board cost the taxpayers some $54 million in 1961-62.

The debt is getting larger at the rate of $10 million each year.

Just for the school board of the city of Montreal—and the same is true of all the school boards in the province of Quebec which are threatened with bankruptcy—the increase in the debenture debt of the municipalities and the school boards for 1962-63, in

the province of Quebec, adds up to the colossal amount of $500 million.

Needless to add, Mr. Speaker, that the provincial farm credit fund is empty. Sometimes, the highway department employees do not get their pay. Several classical colleges in the province of Quebec are seeking university charters; such is the case of the Loyola College, the Séminaire de Trois-Rivières and the Collège Sainte-Marie.

Everybody is hard pressed in the province of Quebec, for the provincial government has a responsibility and a mandate to fulfil as regards the cultural and educational requirements of the province. But the federal government had centralized all taxation powers. And that is due to ingenuity of the hon. member for Outremont-St. Jean.

Mr. Speaker, under the Conservative government, we had started this decentralization. During the fiscal year ended March 31, 1963, Quebec received subsidies in the amount of some $517 million while in 1957, under a government of which Mr. Lesage himself was a member, Quebec received only $177 million.

Our government raised from 10 to 20 per cent the deductible portion of the federal income tax for provincial purposes. Today, the province of Quebec collects up to 16 per cent. We wanted to keep on with that decentralization, but with the help of the Social Crediters, Mr. Speaker, the Liberals defeated us and prevented us from going ahead and giving back to the provinces more taxation powers. Mr. Speaker, the Quebec government wants to develop and to take care of the economical, educational and cultural needs of the province. Quebec wants to become a giant within confederation, to save Canada from American annexation.

I am not in favour for a moment of convening of the states-general to review the Canadian constitution.

Ottawa should start proving its good faith and retire from the taxation field which is, in fact, the responsibility of the provinces. Then we could convene the states-general to adapt the constitution to our contemporary life and extend the French fact from coast to coast. Let us first of all come back to the basic principles of Sir John Macdonald and Sir Georges Étienne Cartier. Otherwise, Quebec will separate itself from confederation and we shall, in 1967, witness the disintegration of the Canadian confederation.

I shall conclude, Mr. Speaker, by quoting from an article published in the local papers of Joliette city and its region, by the "Société Saint-Jean-Baptiste du Diocèse de Joliette Inc." I take pleasure in reading out that article published on February 27, 1963 and entitled:

> Confederation—The various currents of opinion which are now noticed in Quebec show an evident and generalized discontent among the population. The various positions expressed show the need of reforming the system established in 1867.
>
> We believe that those responsible for Canadian policy will definitely have to undertake an early study of our present constitution in order to give it a new direction.
>
> It is obvious that the present state of affairs does not satisfy anybody now. The statements of French Canadian political leaders and the sprouting of numerous independence movements among our population are an indisputable sign of discontent at this time.
>
> We therefore invite the people to make use of its influence to convince the political leaders of the need for undertaking a complete study of the present problems and to bring about some solution which, while observing the fundamental rights of the various communities, will satisfy their respective aspirations and allow them to develop in harmony and good will.
>
> It is signed:
>
> "La Société Saint-Jean-Baptiste du Diocèse de Joliette Inc.; René Charette, chief secretary."

Mr. Speaker, in concluding, I hope the hon. member for Outremont-St. Jean will write another book, and this time give a fair deal to the provinces so as to redress the bad service he rendered confederation. And I say, Mr. Speaker, that, following the advice they got from the hon. member for Outremont-St. Jean, those who sit on the other side of the house are responsible for the conflict and the turmoil of ideas which now exist in Canada, and more particularly in French speaking Canada. That is why I urge this government to reverse steam and go on with the decentralization in order to save Canadian confederation.

Mr. Real Caouette (Villeneuve): Mr. Speaker, I sincerely regret that the hon. member who resumed his seat did not make a similar contribution some three months ago when he was sitting on the government side.

Mr. Pigeon: Read *Hansard.*

Mr. Caouette: Mr. Speaker, I wish to congratulate the hon. member for Mount Royal (Mr. Macnaughton) on his appointment to the high office of Speaker of this House of Commons and I wish to congratulate you also for having been appointed Deputy Speaker.

I am also pleased to sincerely congratulate the hon. member who moved the address in reply to the speech from the throne. She did it in a way that was at once elegant, charming and convincing.

I also congratulate the member who seconded the address in reply, the hon. member for Lotbiniere (Mr. Choquette), who is not at his place this afternoon but who publicly thanked before this house, when he made his speech last week, the member for Villeneuve and the member for Lapointe (Mr. Gregoire) for helping him so much in the last federal election. The hon. member meant that as a joke, I am sure, because he knew very well that what contributed the most to his election in Lotbiniere—a constituency where perhaps a greater proportion of the people are fighting against poverty than is the case in any other in the province of Quebec—was the distribution in the riding of funds coming I do not know where from, but apparently not from the province of Quebec because that province is not that far ahead financially, and especially the distribution of Quebec social allowances. The whole Quebec electoral machine was at work and the Liberal members from Quebec are aware that all sorts of allowances, especially social allowances were very generously distributed during the election campaign by the inspectors of colonization, the inspectors of all departments who paid amounts of $50, $60 and $75 to needy families in those ridings.

We have had examples of that from the Gaspe peninsula, from the riding of Lotbiniere, precisely the one represented by the hon. member who seconded the address in reply to the speech from the throne.

Mr. Speaker, all that meddling and political scheming leads people to think like the hon. member for Macleod (Mr. Kindt), in Alberta, did this morning just before lunch, in attacking the Social Credit party as if we were in power. According to him, the Social Crediters are running the affairs of the state. He reminded us, among other things, that Hon. William Aberhart, the only Social Credit premier in Canada, was promising, during the years 1933 and 1935, a monthly dividend of $25 a month. The hon. member for Macleod was amazed that such a distribution had not been made in 1936 or in 1938, under the Aberhart administration, or was not even being made today.

He added a few words about Social Credit lies, saying that we lied shamelessly, that we did not know what we were preaching or that we were preaching something we did not understand.

I have here the report submitted in 1939 by the banking and commerce parliamentary committee. I quote from that report:

(Text):

Mr. Graham Towers, the governor of the Bank of Canada, was on the stand giving evidence and the members of the committee questioned him as follows:

Q. I understand you say they—

Referring to the banks.

—could not loan what did not belong to them. Mr. Towers: The banks cannot, of course, loan the money of their depositors . . . what the depositors do with these savings is something quite beyond the control of the banks. (page 455)

The hon. member for Macleod (Mr. Kindt) should go to that book and look into it so he might grasp something from it if he could.

Q. So that if they have got up to the point where they have got bank deposits to lend?

Mr. Towers: Well, they do not lend their deposits of course. (page 398)

Q. But there is no question about it that the banks do create that medium of exchange?

Mr. Towers: That is right. That is what they are there for . . . That is banking business, just in the same way a steel plant makes steel. (page 287)

The manufacturing process consists of making a pen and ink or typewritten entry on a card or in a book. That is all. (pages 76 and 238)

This is not an answer by a Social Crediter, it is an answer by Graham Towers, the former governor of the Bank of Canada.

Q. Ninety five per cent of all our volume of business is being done with what we call exchange of bank deposits—that is simply bookkeeping entries in banks against which people write cheques?

Mr. Towers: I think that is a fair statement. (page 233)

Q. . . . when the government delivers a $1,000 bond to the bank, what does the bank use to purchase it with? Is that the creation of additional money?

Mr. Towers: It is the creation of additional money. (page 113)

Q. . . . in other words, when a $1 million worth of bonds is presented to the bank, a million dollars of new money or the equivalent is created?

Mr. Towers: Again assuming that there is no decrease in its other investments or loans.

Q. I mean at the time, at the moment?

Mr. Towers: Yes.

Q. It is a fact that a million dollars of new money is created?

Mr. Towers: That is right.

Q. Yes, now the same thing holds true when a municipality or the province goes to a bank?

Mr. Towers: Or an individual borrower.

Here is perhaps the most important and significant question of all:

Q. Would you admit that anything physically possible and desirable can be made financially possible?

Mr. Towers: Certainly. (page 771)

Q. Will you tell me why a government with power to create money should give that power away to a private monopoly and then borrow that which parliament can create itself, back at interest, to the point of national bankruptcy?

Mr. Towers: ...Now, if parliament wants to change the form of operating the banking system, then certainly that is within the power of parliament. (page 394)

Those are the answers given by Graham Towers.

(Translation):

Mr. Speaker, those are replies to the questions which several candidates asked the people during the electoral campaign. They were reported on television, for instance, and on the radio—as did the member for St. Jean-Iberville-Napierville (Mr. Dupuis)—thus leading the public to believe that the Social Credit party would print money inconsiderately and without restraint and that we would flood Canada with currency as was the case in Germany in 1923 and 1924.

There was never any Social Credit party in Germany. If the hon. member for St. Jean-Iberville-Napierville is honest, he will admit that Social Credit never existed outside of Canada. That is a fact, but it does not mean that it will not expand past our frontiers in the future.

Thus, the problems which face us at this time and which are mentioned in the speech from the throne—to which I will come back in a few minutes—those situations and problems to which there are no solutions, as I say, are due to a financial system which has grown fatter on its deathbed than when it was born.

Mr. Speaker, all kinds of things were made up in the province of Quebec. My Liberal friends in that province bought full pages in *La Presse, Le Devoir* and other large newspapers in the province of Quebec to insinuate, for example, that Social Credit would create misery and inflation in Canada, whereas inflation is the result of an administration such as the present one.

When a municipal council borrows $300,000 or $3,000,000 to build a city hall, at a yearly interest rate of 5 per cent for a period of 20 years, the taxpayers have to pay back $600,000 for a $300,000 loan and $6 million for a $3 million loan. The $300,000 city hall will never be worth $600,000; on the contrary, it will be worth less and less as the years go by. But the people will still have to pay $600,000. That is true inflation. That is the kind of administration that the Conservatives and the Liberals have given us in turn.

Mr. Speaker, I will now deal with the speech from the throne, which talks glibly about biculturalism, the co-existence of the two great nations in Canada, the French and the Anglo-Saxon nations.

On the day parliament opened, together with our colleagues from all corners of the house we attended the splendid reception offered to the representative of Her Majesty.

The guard of honour and what was presumably its own brass band, faced the parliament buildings. His Excellency the Governor General—who, I trust, will very soon recover—was represented by an Administrator, the Chief Justice of the Supreme Court. We witnessed an impressive state pageant, truly beautiful and imposing. We welcomed Her Majesty's representative with the hymn "God Save the Queen", and I think this was as it should have been.

However, I wonder why we did not also hear the strains of "O, Canada"?

If, as we are told, it is essential that our two cultures should co-exist in Canada, we from Quebec have absolutely no objection to the "God Save the Queen"; but we feel that on such an occasion we should also have heard "O Canada", so dear to the heart of all Canadians, our national anthem.

Mr. Speaker, we also did note the absence —and I can just see the hon. member for Mercier (Mr. Boulanger), who is always somewhat nervous in similar circumstances —and this was so much the case when he heard "O Canada" being sung that he could not but smile.

Why did we not have a distinctive national flag at that time? I remember that in 1956-57, when the Conservatives had taken over, we expected to have a distinctive national flag. I hope that during all those years in the opposition the Liberals had the opportunity of studying the feasibility of giving Canada a distinctive national flag and a national anthem.

During the month of February, I had the privilege, right at the start of the election campaign, of visiting a country which is part of the British commonwealth of nations. I went to Jamaica. Now the first gesture of the Jamaican government when that country became independent in August 1962, was to adopt an authentic national anthem for Jamaica, as well as a distinctive national Jamaican flag. So the first gesture of a small country, practically trailing behind all other commonwealth countries, was to adopt its

own flag and anthem, without a single emblem, either English, or French, or Spanish, without any outward sign of assimilation.

Now, we are asking for the same thing in Canada. We do not want a flag with a French emblem. As far as France is concerned, we have great respect for that country, in the same way as we respect England. But, we are first and foremost, Canadians. We want, in the first instance, Canadians to understand each other. We are not separatists. We want a Canada where people may understand one another, where Canadians would be able to speak to each other—a thing which is but rarely found here, in spite of all the election shenanigans we witnessed on April 8 last.

Mr. Speaker, another point to which I want to call the attention of all hon. members, whether they be French or English speaking, is that when we use the parliamentary telephone for a long distance call, nine times out of ten, we are told: "I'm sorry, I do not speak French. Would you like a French operator?" That happens nine times out of ten. I do not care in the least whether the operator's name is Bradshaw, MacDonald, Choquette or Dupuis as long as she is able to talk to me in my own language.

I think we should start by bringing about a respect of our country's dual culture within the parliamentary framework—not because we bear a grudge against those who do not know French, but because we want to be up to date in our demands with regard to the respect due to the two elements of Canada, which should be placed on an equal footing.

Mr. Speaker, the speech from the throne mentioned many fine things, serious and elaborate, which we mentioned many times ourselves in this house. I see, for instance, the following words in the speech from the throne, and I quote:

> These are times that test old virtues. They are times that open up new opportunities. Familiar ways of thought and action are becoming less certain guides.

The familiar ways of thought are personified by the economists of the Liberal party.

> The familiar ways of thought and action are becoming less certain guides.

We are not certain anymore.

> Many old paths are no longer open to us. The task before us is to seek out with wisdom and imagination—

Where will they take that imagination, since they have had none for the past 50 or 75 years? Is it with the kind of imagination they displayed in the province of Quebec during the last election that they will make us believe they are serious and sincere, when they say that those new paths will lead us surely forward?

What are those new paths? Is it the moon, the planet Mars or some space system? I do not know. Nothing definite, nothing factual.

They talk about new paths while we have been saying ourselves in the province of Quebec for the last 20 years, and also across Canada, that the present old finance system can only lead to complete and total failure. That failure, the previous government did not want to face it and if this government faces it without taking drastic measures to bring the finance system to reason in Canada, it will soon be the end of the road for our staggering democracy. And as long as they keep going over the same path, it will be a huge and total failure. And later on, it is said:

> But they depend on our overcoming serious problems. It is only with courage and perseverance and hard work that we will achieve the better life that is within our power, for ourselves and for our children.

Which Canadians are lacking courage and perseverance? Which Canadians have refused to work for the development and progress of our national inheritance? I think I have a right to say that those who lacked courage are the representatives of the people in the federal government, and also the representatives of the people in the federal parliament have lacked perseverance. And I think that the governments which succeeded each other since confederation have failed to work with zeal.

> Our progress is the work of all the people.

At last, here is a true fact.

> The determination of my ministers is that the government through its policies will contribute the leadership, the purpose, the decision that are its responsibilities to the people.

The people have been waiting for a long time and are more and more anxious. For a long time, the electors have been looked after only at election time and in order to juggle the popular vote, all that is done is to try and make them believe that the government in power is the one which received a mandate from the nation, when in fact, the votes of the people are obtained through fear, under threat, under the threat of losing their jobs or their pensions, and it happened in Canada on April 8 last. This is a sharp contrast with the fine wording of the speech from the throne.

Mr. Speaker, a great many matters are mentioned in the speech from the throne, but no details are given. When the government states for instance, that:

> It will foster the spirit of co-operative federalism, fully respecting the rights of the provinces while safeguarding and extending the equality of opportunity which properly belongs to all Canadians in all parts of our country. In these purposes, as in others, my ministers will seek frequent consultation with the governments of the provinces.

We are in favour of respecting the rights of the provinces, but let not the federal government assume alone the right to determine the needs of the provinces without consulting them. While listening earlier to the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon), I was thinking that they should have initiated those consultations themselves since they were in power from 1957.

> In particular, my ministers will strive to lessen international tensions and halt the arms race by seeking measures of controlled disarmament, including a treaty to end nuclear tests under reasonable safeguards.
>
> For this purpose, the armed forces of Canada should have available the modern weapons necessary to perform effectively the defensive tasks which Canada has undertaken in the alliance.

Mr. Speaker, that is a bit steep.

An hon. Member: That is a good one.

Mr. Caouette: It certainly is. On the one hand, we must strive to lessen tensions and on the other hand we must arm.

Mr. Speaker, the amendment moved by the hon. member for Burnaby-Coquitlam (Mr. Douglas) deals with nuclear weapons. We in the province of Quebec, together with other Canadians across the country, have taken a stand in that regard. We have stated our opposition to armaments and war, and I will tell you why.

We do not believe in the possibility of nuclear war any more than we believe in the possible use of bacteriological gases such as those which were used in the years 1914-18. As soon as the Russians, the British and the Germans realized that the winds could turn and push the gases back to their senders they met and decided: "Let us not use gas warfare, it is too dangerous. We can throw gases which may come back in our own face and then we may turn out to be the loser." The same situation would develop as far as nuclear warfare is concerned.

But nuclear weapon manufacturers are interested in producing such weapons. In my opinion, instead of following the path of destruction, the Canadian government should play the part of a peacemaker and invite all the nations of the world, including Russia, to promote peace and to guarantee the security and freedom of men, putting nuclear power at the service of men, instead of preparing it for the annihilation of humanity. That simply is the position we have adopted in defining our aims and our ideal in Canada and in Quebec.

Mr. Speaker, when I had the privilege of visiting Jamaica, a small and poor country where there is extreme poverty, I noticed that people in that country were not asking at all for nuclear weapons or atomic bombs but quite contrary they needed money that we now appropriate for atomic warfare. That money would help them to buy bread, butter, clothes and houses because they too are entitled to live as men, as creatures of God. And if our country undertook to do that it would give an example of true peace and of unity in the brotherhood of nations and that can become a reality provided we act in good faith.

Mr. Speaker, the speech from the throne also deals with industrial expansion. Now, I come from an industrial area, the mining area of Quebec where there are gold, copper and zinc mines. There are also to be found vast forests and large farms. But the economy of the area, and more particularly that of the counties of Villeneuve, Chapleau and part of Temiscamingue, is based on mining.

Our area has a great number of mining prospects and it would only be delighted to increase their development. The prospectors could make more discoveries, and the industrialists could set up more mills; should the government decide immediately to raise by $10 an ounce the price for Canadian gold, we would see a great number of new mining companies spring up in our area. Thousands of people would thus find profitable employment, while thousands of others would continue to manufacture other products in that area, which has been practically undeveloped so far.

I would also suggest that the government grant a yearly increase of 3 per cent to new production of gold. Such a step would revive the economical life of our area, especially in the riding of Villeneuve, and nobody would suffer from it. Moreover, the setting up of these new mining companies in our area would bring additional revenue to the government and would help to create more jobs for the people who are now loafing in certain towns, in the northwestern part of the province of Quebec, and throughout the province.

It is beyond doubt that such a policy would bring about employment opportunities, and we would thus contribute to the revival of the economic life of our area and, indirectly, to the improvement of the whole Canadian economy.

The same suggestion could apply to the Elliot Lake district where hundreds of houses, now empty, had to be taken over by Central Mortgage and Housing Corporation. The people who bought those houses five, six or seven years ago have lost all their life's savings. Citizens are idle in an area where it would be possible to set up new industries or promote the re-opening of mines which are already shut down, by signing agreements or contracts with the United States, England or other countries where uranium could be used, just like copper and zinc are being used today to bring about new production opportunities in our country.

Mr. Speaker, the speech from the throne does not contain any definite statement on the setting up of a department of industry. What will be the functions of such a department? What will it promote? Will it set up an organization to which industry can look for advice? Industry is ready to do everything it can to increase production.

As the hon. member for Red Deer (Mr. Thompson), our leader, mentioned last night, Mr. G. L. Barber, an economist, and professor at the University of Manitoba, spoke to the point when he said that the injection of $1 billion into the Canadian economy would contribute to its recovery and to its continuous development. That theory is not very remote from the policy the Social Crediters have long advocated.

Instead of considering national production on a productive basis or with regard to the potential production, we should consider the whole of the economy of Canada from the point of view of the consumer, for it is the consumer who, after all, will get the whole Canadian industry moving. The consumer who will have sufficient purchasing power to buy the products manufactured for him shall order from industry; industry will be operating and thousands of unemployed will become employees who will contribute to the development of our common inheritance and who will help to establish peace, justice, security and abundance for each and everyone of us.

[Mr. Caouette.]

(Text):

Mr. Harold Winch (Vancouver East): Mr. Speaker, this may sound repetitious, but I should like to add my congratulations to yourself upon your unanimous appointment as chairman of committees of the whole and Deputy Speaker of this House of Commons. I am certain you will find the experience most interesting and exhilarating. Through you, sir, may I convey my congratulations to the hon. member for Mount Royal (Mr. Macnaughton) on his appointment to Speaker of this house. I convey these congratulations with a great deal of sincerity because of my association with our present Speaker during the time he was chairman of our public accounts committee. It must have been a most unique experience for the hon. member to be the first opposition member in the history of this house, as far as my knowledge goes, to be appointed chairman of such an important committee. I can say, sir, without any hesitation whatsoever that I think it was the leadership he gave us and the impartiality he showed which made the public accounts committee over the years one of the most interesting, influential and powerful committees ever known in the history of this House of Commons. I know that the impartiality, understanding and compassion he showed in that committee will be carried forward into his honoured position as our Speaker.

Although this may sound a little impertinent or impudent, Mr. Speaker, may I say, in concluding these remarks and anticipating that he will do such a remarkable job that in so doing he will have to find, as experience in this house has already shown, firmness together with impartiality and compassion, otherwise a few individuals may try to take advantage of his compassion and reasonableness.

This leads me to the next subject about which I should like to make a few remarks. I sincerely hope that all the words which have been spoken in this debate will be followed through with action in the appointment of a committee of this House of Commons to make an early study and, I hope, early decision on the standing orders and procedures of this house. Sir, I have had a little experience in parliament, always in opposition, although there is always the hope of a change. Because of that experience I must say that we are 265 directors of the biggest business of this country. Therefore it is without doubt somewhat difficult to work out standing orders and procedures which can cover everything. However, I have no hesitation in saying, even if I may be called an independent thinker and something of a renegade, that we can do a lot more than we have ever done in the past

toward expediting the business of the people by some reforms in our procedures and standing orders.

I hope, although this might be considered to be almost rebellious, that in the considerations of this committee—which I hope will be appointed very soon—they will give real study to the problems of expediting the business of the people as well as the necessity of all members having full rights of expression. I hope, sir—and may I say that I am speaking personally; I have not taken it up with the other members of our group—that some way will be found to stop some of the useless repetition that holds us up for days unnecessarily in the house. I hope some method will be found of outlining in detail just what is a question of urgency under the orders of the day. I hope some method will be found whereby those things that belong on the order paper will be put on the order paper, and some method of deciding just how many supplementary questions should be asked on one question under orders of the day.

I also hope, sir, that something will be done toward giving consideration to the appointment of select standing committees of this house. To me, quite bluntly, it has always been, I would say, stupid and asinine to have under our standing orders, as we have under standing order 65, committees of this house composed of 50 or 60 members of whom 10, 15 or 20 shall constitute a quorum. It is my firm conviction that serious consideration should be given to some revamping of standing order 65 in order that we may have not only committees which work efficiently but committees with as close to full attendance as possible, and not attendance just once in a while when decisions are made—which has happened in the past—when it comes to a vote, by members who were never in the committee when the data, information and facts were before the committee. These, sir, are some of the things which I believe should be considered. If considered properly and efficiently and decided upon by the members of this house in a responsible way, we can do much to expedite the business of the house and see that we achieve a great deal more efficiency than has been possible in the past.

Since this session opened, Mr. Speaker, I have been most interested in the debate in reply to the speech from the throne. It would be almost amusing, if it were not tragic, to note what has transpired thus far. Why do I say it would be amusing, if it were not tragic? Well, I do not think I have been absent from this chamber for many minutes since the session opened, and we have seen members of Her Majesty's most loyal official opposition rising in their places and challenging the government to consider and act upon problems and policies which they supinely refused to deal with in the six years they were in office, when they had the power to tackle them.

Then, of course, on the other side of the picture we have Her Majesty's government, who in the previous six years sat on this side of the house and raged and railed against the Conservatives when they formed the government about the way in which they answered questions. They said it was undemocratic, impossible, denying the rights of parliament and the rights of members. *Hansard* is full of such expressions day after day and month after month. In this twenty sixth parliament of Canada we had just got down to orders of the day when we could ask questions and, lo and behold, we found this government giving exactly the same answers that were given in the previous six years by the Conservative cabinet.

Mr. Robichaud: Explain.

Mr. Winch: There is no question about it; just look at *Hansard*. In all seriousness and sincerity, and not temerity, I say this is the kind of political hypocrisy which makes a sham of parliamentary democracy. What we need, whether we are in opposition or government, is a sense of responsibility and a sense of principle. I have long felt that one of the most important requirements to improving parliamentary democracy is that we do not say in opposition what we are not prepared to do in government.

An hon. Member: Have you tried it?

Mr. Winch: No, sir, I have not yet had the opportunity of trying it, but you may be surprised how soon we may have the opportunity.

Mr. Robichaud: You would be surprised.

Mr. Winch: Mr. Speaker, perhaps at this time the 265 members who make up this House of Commons have greater responsibility than ever before, because for approximately 18 months the business of Canada was brought to a halt. For almost 18 months there was too much rehashing of the previous election and campaigning for the next. There are too many problems which have to be faced—too many decisions which have to be made. It is, therefore, my sincere hope, and I know it is the hope of this group in the House of Commons, that we shall face our responsibility in a proper manner as Canadians elected to do a job first and to be political partisans second. I have already said that I feel a good deal of time has been lost in previous parliaments because of unnecessary and useless repetition. I do not want to be

guilty of that myself. Therefore, I do not intend to comment at any length on what is contained in the speech from the throne. The most important aspects of the attitude taken by this group have already been outlined by our leader, the hon. member for Burnaby-Coquitlam (Mr. Douglas). All I wish to say is that I find myself in agreement with his general statement that there are a number of proposals in the speech from the throne which could undoubtedly prove of benefit in the long run to the Canadian economy and to the Canadian people provided the legislation itself, when it is brought down, embodies the principles contained in the government's program. We shall therefore have to wait until the legislation is introduced before we are in a position to make specific and detailed comment.

However, much as I agree with long range planning—and such planning has been required for many, many years—I do want to say I was bitterly disappointed that there was not some indication that the government intends to put into effect the immediate measures which are required to handle some of the problems facing Canada. It is all very fine for the Liberals to campaign for one million jobs in five years. It is very fine to have something in the speech from the throne about long range planning through the establishment of councils or boards which will have an impact in years to come, as I hope it will. But, Mr. Speaker, that does not clothe and shelter the half million persons presently unemployed.

I should like to say—and I say this with full knowledge of what I am saying—that I had the privilege of spending 20 years in the parliament of British Columbia and I have now spent 10 years in this House of Commons. But never as in the two months preceding the opening of this house did I have as many visitors or phone calls to my home from people unemployed saying: "For God's sake, Winch, can you get me a job?" Nor did I have so many who were going off unemployment insurance because their payments had run out, or who were already off it. And what could I as an individual member of this house give to those heads of families in need of immediate attention? The Liberals said that they had the answer, and they did not say during the campaign that the answer would be forthcoming three or five years from now. They said they would have the answer when they took office. Mr. Speaker, there is not a thing in the speech from the throne to indicate any action to take care of the immediate problem of the half million unemployed and of those who are in a different category.

That brings me to something else. I do not know what was said by the Liberals across Canada during the campaign, but I do know that in B.C. in general, and in Vancouver in particular, they were interested in the training of our youth, in higher education for our youth. They were interested in seeing that our youth had the opportunity, irrespective of their family income, of getting that education. Yet I can assure you, sir, that each day before I came back to this house I had boys and girls coming to my home who were going into their last year at university, whose parents were not able to pay for that last year and to maintain them. They were themselves unable to obtain employment. Are they to be denied? While the Liberal party said they had the immediate answer in British Columbia, and the Minister of Northern Affairs and National Resources (Mr. Laing) said they had the immediate answer in Vancouver, that there would be 10,000 scholarships and the opportunity to take care of these people, the payment of their fees and their maintenance, I find no word of this in the speech from the throne. We have had no indication yet from anyone on the government side of the house as to what is going to be done for those young people in their last year or their second last year at university.

Surely, sir, it is not carping criticism, it is not irresponsibility, for us to draw this to the attention of the government and to ask them when they are going to act and how soon. Because the need is now, not three, four or five years from now. We agree with long range planning, but we do not want people to starve to death and not be able to take advantage of it in, we hope, the not too distant future. In the few days which lie ahead during this debate we hope that we will hear something from the government about the immediate emergency plans for those in need now, both with regard to the unemployed and with regard to education.

Now, Mr. Speaker, in the balance of time at my disposal I want to comment on the subamendment moved by our leader. May I remind you of the wording:

> We regret that Your Excellency's advisers have indicated their intention of acquiring nuclear arms for Canadian forces, thereby lessening the chances for nuclear disarmament and increasing the danger of nuclear war.

Mr. Speaker, this is a matter not only of major concern to every member of the New Democratic party, but also to the people of Canada, and indirectly through this Canadian House of Commons to the people of the world. I had the honour of being a Canadian delegate-observer at the United Nations in 1960. I have followed the speeches at the

United Nations by Canadian delegates since 1960. I was a very proud man to hear the representations made in the United Nations by Canadian official spokesmen. I heard them in plenary session and in the No. 1 political committee speaking on subjects such as the cessation of nuclear testing, no expansion of the nuclear club, and general and complete disarmament along the lines laid down by Mr. Wadsworth when he was the United States ambassador, and which, it was suggested, could be accomplished in five or six years. Being so proud of the Canadian stand I would go into the lounge or into the corridors and hear the Afro-Asian delegates say: "You in Canada speak with a forked tongue. You talk this way at the United Nations, you act this way in the disarmament committee in Geneva, but at home you purchase weapons which can only be utilized if they have a nuclear warhead". Mr. Speaker, that was a keen disappointment to me and I maintain a double cross of the people of Canada, because you cannot speak one way outside of Canada and act another way inside Canada. Nor can I see any difference between the preceding government and the present one as regards talking with a forked tongue.

Moreover, Mr. Speaker, I cannot accept the statements we have received thus far that decisions have to be made because of previous commitments. I find that what I heard when I attended as a delegate to NATO in 1961 and what I heard from NORAD in no way coincides with the position taken by the Prime Minister (Mr. Pearson) and the Minister of National Defence (Mr. Hellyer). If I may briefly refer to that, with regard to NORAD it was my understanding from reading the newspapers that the Minister of National Defence said we were going to have nuclear warheads for our Bomarcs in Canada because this was a commitment made by the previous government. If the present government says that it is a commitment, then I cannot understand why on January 9 General John K. Gerhart, commander of the north American air defence system, said that there was no commitment to NORAD that Canada assume nuclear weapons or nuclear warheads.

This morning I had the opportunity of doing a double check to make sure that I had this correct. The Ottawa *Journal* of January 9 reports General Gerhart as having said:

> Lack of nuclear arms in Canada has not altered NORAD's over-all planning. General Gerhart made his comment while here to inspect the Bomarc and semi-automatic ground environment defence complex which form part of the NORAD set-up. The U.S. army officer stated Canada was not committed to nuclear arms under NORAD and this position was well known when NORAD was formed.

Surely General Gerhart, commander of the North American air defence system, knows what he is talking about. I presume he does. He also said, and this is in quotation marks:

> "Whether we have them here in North Bay or not is not germane to our planning."

On that basis I fail to understand why our Prime Minister, a Nobel peace prize winner, says that under NORAD we are committed to equipping our weapons with nuclear warheads. Moreover, the Bomarc is a defence against the manned bomber. Will he please explain this? I have here the Vancouver *Province* of January 31 last containing a Washington news service dispatch in which United States defence secretary McNamara makes it very clear that the problem in a future war is not the manned bomber, but the missile. I am not going to quote the article but it is here. I draw the attention of hon. members to the fact that McNamara said this on January 31 last.

Did hon. members read the *Globe and Mail* this morning? What does secretary of defence McNamara say in appearing before a congressional committee?

> The great problem is that in a missile age we must assume the Soviets will first attack with missiles before their bombers attack and almost certainly among the targets for their missile attack would be our SAGE centres, in which case they would be out of operation before the bombers arrive.
>
> Warning against an intercontinental missile attack comes through huge, powerful radar fences constructed in the far north, in Alaska and Greenland. No accurate western way of shooting down these intercontinental ballistic missiles exists yet.

Here we have Mr. McNamara, as reported in this morning's *Globe and Mail*, saying that any attack will be a missile attack first. The missile attack will be on our SAGE installations of which Canada only has one, that at North Bay where we have the Bomarc, and that installation will be blown up before the manned bomber comes against which the Bomarc installation is supposed to defend us.

We simply ask in all reasonableness that the House of Commons be taken a little more into the confidence of the government on this matter and that we be given a little more information.

What I have said about NORAD also applies to NATO. I am sorry I only have another four minutes. It is difficult to say in four minutes what I want to say about NATO but I am going to try. NATO was formed as a military alliance, perhaps a necessary and essential one at that time. I had the privilege of being one of the House of Commons delegates to the NATO parliamentary association meeting in Paris in November of 1961. The other delegates must confirm what I am about to say and if they do not they had better watch out because on my desk I have a transcript of every word said there.

Information was given us in 1961, not only by General Norstad, then the commander of NATO, but by leading speakers from other countries in NATO, that perhaps too much emphasis had been placed on the nuclear deterrent and that the great need was the building up of conventional forces. It was said at that conference that the country that could perhaps best build up the necessary, mobile, trained, conventional force was Canada. That is on the record.

Much has been said in recent weeks by NATO members and in the United States by the president himself about the need for the building up of a conventional force because any move in Europe outside of an all-out war will be a probing attack, and such an attack will be by conventional weapons. In 1961 at the NATO conference it was said that such an attack must be repelled by conventional weapons because if we use tactical nuclear weapons that will bring about a strategic nuclear war. This is all a matter of record. Why do we not follow it up?

Mr. Deputy Speaker: I am sorry to interrupt the hon. gentleman but his time has expired.

Mr. Winch: I am sorry also, sir.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I regret that I have to intervene again in this debate but the subamendment moved by the hon. member for Burnaby-Coquitlam (Mr. Douglas) and the terms in which he moved it, with some challenging references to myself, make it necessary for me to place before the house the position of the government in respect of the subamendment, which is very clear indeed in its terms, Mr. Speaker, though not, as I hope to point out, quite so clear in its implications.

I regret that the hon. member who has just sat down was not able to complete his remarks because they are always interesting and always listened to with attention by members of the house. He emphasized that he will perhaps forgive me for calling the righteous consistency of his party in these and other matters. It is interesting to recall, though I did not have very much opportunity to do as much research as I would have liked in recalling it, the position of the New Democratic party and its predecessor, the C.C.F. party, in respect of this matter of nuclear defence.

As I ventured to say earlier in this debate, NATO accepted a nuclear commitment for the alliance as far back as December 19, 1957, when at the council meeting of that year the communique stated, and I repeat, that NATO, not any individual member but NATO, "has decided to establish stocks of nuclear warheads which will be readily available for the defence of the alliance in case of need". Was there a violent or any other kind of reaction in this house from the C.C.F. party of that day to that communique, to that result of the NATO council meeting of that time which was reported in this house four days later by the prime minister of that day on December 21, 1957, in terms set out at page 2721 of *Hansard*? This is one paragraph only from his statement:

> We had to ensure that the NATO defence structure, first erected to meet the needs of 1949, was adjusted to meet the needs of 1957, to render impregnable, as I said a moment ago, the defensive capacity of the Atlantic community in the nuclear era.

That statement was made by the prime minister of that time after a decision taken by the government of that day to agree to NATO taking on a nuclear commitment for the coalition; and I would have thought, if my hon. friends were as consistent as they boast about being, that they would have reacted to that first commitment by Canada to NATO nuclear defence as they have reacted recently to statements from this side of the house. But, Mr. Speaker, there was no such reaction. There was no reference in the debate from which I have just quoted to the fact the government of the day was irresponsible or contemptuous of parliament in not consulting and getting the approval of parliament before it made this commitment. The government of that day had the right to take on that commitment as a member of a coalition, come back to parliament as it did and make the announcement of what it had done. It was the right of parliament, then, to accept or repudiate that commitment. This is responsible government, as I ventured to point out last night when quoting the prime minister of that day in support of my contention.

There was no complaint about the procedure that was followed at that time. In fact, the comment by the leader of the C.C.F. party at that time on the substance of the decision made was very, very mild indeed, although that began the process of making NATO into a nuclear defensive power to meet the new kind of threat which faced the members of NATO at that time. So it went on for a couple of years. There was very little reference in this house by any member of the C.C.F. to the inequity of this decision or subsequent decisions that the government of that day took on the roles which could only be fulfilled effectively by the use of nuclear ammunition for weapon systems which had been acquired.

I am not going to quote remarks made in the intervening years. However, it was not until 1960 that I was able to find any change in the opinion of the members of the C.C.F.

party, the predecessor of the New Democratic party. The first statement in which they indicated they had been contemplating a change in their attitude was made on July 14, 1960, page 6311 of *Hansard*. The hon. member for Kootenay West (Mr. Herridge) had this to say, and this was no doubt prior to the formation of the New Democratic party, but not long before. I quote from *Hansard* of that day when the hon. member said:

Western policy—

This was a statement of their policy at that time, the policy of his party.

Western policy is to balance NATO's weakness in conventional forces by being ready to use so-called tactical nuclear weapons. This idea is based on two false premises: first, that a weak force armed with nuclear weapons is going to beat the large force armed with nuclear weapons; second, that a nuclear war in Europe could possibly remain limited.

I am not quarrelling at the moment with the validity or otherwise of these premises. They might be valid. Then, the hon. member continued as follows:

Canada must insist that NATO recast its strategy, its tactics and its organization so that its defensive forces are capable of meeting any Soviet aggression with conventional weapons long enough—

I certainly agree with this.

—to allow diplomacy to seek a settlement before, progressively, tactical nuclear weapons and thermonuclear weapons are used.

In other words, according to the hon. gentleman who was the spokesman for his party at that time, NATO should have sufficient conventional strength in order to hold an attack until the forces of political negotiation and diplomacy could at least get working. If they were not successful, and if the attack continued on a scale which would be enlarged, as it probably would be, then according to this statement NATO would progressively be permitted to use tactical nuclear weapons and thermonuclear weapons.

Then, the hon. member for Kootenay West went on to say this:

We say that we should make it very clear to our NATO allies that we will withdraw from the alliance—

On what condition?

—unless they all honestly strive to give effect to disarmament and disengagement. The whole idea is to work toward the creation of a buffer zone in Europe at the same time as we make a buffer zone of Canada. That is our approach to this problem at the present time.

This represented I believe, Mr. Speaker, a very substantial change on the part of the C.C.F. party of that day. It was a move in the direction of the policy which was adopted at the founding conference of the New Democratic party. It is a policy towards NATO to which we on this side took exception, and will continue to take exception as a policy which would end NATO. We are not willing, on this side, to do anything to weaken let alone destroy NATO.

My hon. friend, the leader of the New Democratic party, will recall that at that founding conference—I have not got the resolution before me but he will correct me if I misinterpret it—it was made quite clear that if NATO itself became a nuclear power, and NATO had already indicated in 1957 its requirement for nuclear protection, then Canada should withdraw as a member of the North Atlantic Treaty Organization. They went further. They said that Canada should work towards—I have not the exact words but I think I am right in saying this, the abandonment of the NATO pact and the Warsaw pact. We should get rid of them both. I think that was the resolution adopted by the founding convention of his party. To that, we on this side take strong exception and we interpret this particular subamendment in the light of the resolution of the founding convention of his party on this subject.

There could be no greater triumph, Mr. Speaker, for the forces of imperial communism than to have the abandonment of both the NATO and Warsaw pacts. When I say that, I am not for one moment suggesting, as my hon. friend tried to suggest I was suggesting, that he and his friends are deliberately supporting in any way any communist objective. His interpretation of what I said during the election campaign, as I hope to point out, is quite false. The abandonment of the NATO pact would mean the abandonment of western collective security, the abandonment of a coalition of free states bound together in freedom to defend their security and thereby preserve the peace by showing their resolutions to defend their security. The abandonment of the Warsaw pact would be nothing at all because the Warsaw pact is a façade. Who could say for one moment that if there were no Warsaw pact Soviet control over European communist satellites would be weakened in any way, shape or form? This is the part of the New Democratic policy in regard to NATO to which we take very strong exception indeed, and we relate that policy to the subamendment which is now before us.

The hon. member for Burnaby-Coquitlam (Mr. Douglas) said this morning that I have stated, though he did not identify the statement in any way, that nuclear arms was not an issue. I did not know what he was talking about when he made that statement. Certainly, in the election campaign the acquisition of nuclear ammunition for those nuclear defensive arms systems which had been acquired

previously was indeed an issue. We accepted it as such. We made our position clear in regard to the matter and we stood on that position before the people in an election. Indeed, my hon. friend and his followers took a definite position on that matter also.

Then, the hon. gentleman went on to say that the leader of the Liberal party, and I took down what he said so I think it is correct, said that those of us who were opposing nuclear arms were seeking to promote the first objective of Soviet policy. I would ask him to give any evidence to support that kind of statement which he said, if it had been made, was a contemptible statement. If it had been made, it would have been a contemptible statement, but it was not made.

Mr. Douglas: I rise on a question of privilege. Mr. Speaker, I have here the press report of a speech which the Prime Minister made when taking part in the campaign. The report is contained in the Saskatoon *Star-Phoenix* of March 7, and I should be glad to place that statement on the record if the Prime Minister so desires.

Mr. Pearson: I know that statement, Mr. Speaker. I contradicted that statement at the time. I did not make that statement in the form in which it was reported, and I said so at the time. I understood that the leader of the New Democratic party was referring to statements I made in Cooksville and Kingston on this matter. Of course if the hon. gentleman would like to place that statement on the record he can, and I will deny it again as being inaccurate, the same as when it was reported.

Mr. Douglas: I can see very little value in putting it on the record if the right hon. gentleman would only deny it, but certainly I followed the right hon. gentleman's statements very closely and I at no time saw any official denial. To my knowledge the statement was made on two separate occasions, one at Cooksville and one at Saskatoon, and the statement quoted in the Saskatoon *Star-Phoenix* of March 7 reads as follows:

> He quoted resolutions passed at the N.D.P. founding convention in 1961.
>
> Mr. Pearson said the break-up of north Atlantic alliance was the first objective of the Soviet union and the policy adopted by the N.D.P. "contributes to that break-up."
>
> Their defence policy therefore, is not only against all nuclear weapons in Canada in the alliance, however defence in character, but it would destroy the alliance itself and weaken the security arrangements which are, in present circumstances, essential for peace.

Mr. Pearson: Well, Mr. Speaker, that is exactly what I have been saying—and these are not the terms in which the hon. gentleman quoted me this morning—that the first objective of the Soviet union is to break up the north Atlantic treaty alliance.

Mr. Douglas: I draw the right hon. gentleman's attention to the phrase that says;

> —and the policy adopted by the N.D.P. contributes to that break-up.

Mr. Pearson: And, Mr. Speaker, the founding resolutions of the N.D.P. were to the effect that if NATO becomes a nuclear organization we should withdraw from it and we should work towards the abandonment of both NATO and the Warsaw pact. If that is not a policy leading to the break-up of NATO, I would like to know what is.

Mr. Douglas: May I ask the Prime Minister does this mean he is not denying the statement?

Mr. Pearson: I am not denying for one minute that the policy of the N.D.P., in its founding resolutions, would lead to the break-up of the North Atlantic Treaty Organization. Of course they would, and I would hope that perhaps the leader of that party, who may not hold these views or may have changed them since the founding convention, would make it clear it is not the policy of his party to break up NATO by refusing to be a member of that organization if it becomes a nuclear organization, which in fact it has been since 1957. I would also hope my hon. friend would repudiate the suggestion that we should work towards the abandonment of both the Warsaw pact and the NATO pact as being on the same level of interest to Canada in its determination to protect peace and security. It would be a very important gesture of clarification if my hon. friend, or one of his colleagues, would do that.

This morning the hon. gentleman made a very strong attack on the government, saying we had flouted parliamentary responsibility in not giving parliament a chance to decide on this matter before any decision was taken by the government. Well, Mr. Speaker, the proper constitutional position on this matter, which I have already repeated this afternoon, was put on the record by me last night, in the language of the former prime minister which he used some years ago, and which I need not repeat this afternoon.

Our position on this matter, as I have already said, was made clear during the election campaign. The N.D.P. position was made clear during the election campaign. Also the position of the Conservative party was made clear during that campaign, and that was to do nothing and wait and see what would turn up. Our position today in this parliament is that we are standing in the

face of this subamendment on that position, and this is surely the proper constitutional position for a government to take.

As I said yesterday, we are at the moment negotiating a bilateral agreement. If it is not a satisfactory agreement we will not accept it. We hope there will be a satisfactory bilateral agreement with the United States, which must be agreed on before any other step can be taken with regard to the acquisition of nuclear ammunition for the Canadian weapons system.

As is common to all the agreements that have been made by the United States with all other NATO members, the United States will retain custody of any nuclear warheads which are made available to the Canadian weapons system, but there will be joint control so that warheads which would be ready for instant use in the awful emergency of war, after release by the United States in that emergency, can be used only on orders from Canada itself. This is known, of course, as the two-key system and is common to all agreements for joint control of nuclear weapons, made by the United States with any NATO member.

This bilateral, political agreement, which is only one step, cannot in any event be completed before parliament has had a chance to express its views on this whole question of nuclear warheads for Canadian weapons. The hon. gentleman criticized me for making the statement the other day that no formal parliamentary approval was necessary. That of course is perfectly true in the sense that no formal parliamentary approval is necessary for this kind of agreement between two countries, unless that agreement takes a formal character in the shape of a treaty or an agreement which has to be ratified, and submitted to parliament for approval before ratification.

This is not that kind of agreement; but we are giving parliament an opportunity to express itself on this question and that is why a paragraph was put in the speech from the throne, and the hon. gentleman quite correctly has seized on that paragraph as a justification for his subamendment; and if the subamendment had not been made in those terms, we would be bringing forward very shortly a resolution to set up a defence committee to discuss defence policy. The question of nuclear arms can be discussed then, and if the verdict of parliament is against the government on this matter, if the verdict of parliament is even in favour of the subamendment, then parliament will have decided, the government will have been defeated, and if that is not a proper constitutional position to take then I misread my constitutional history. If that is contempt of parliament I do not know what to say.

I would also point out to my hon. friend that parliament was called at the very earliest possible date so that it would have a chance to discuss and decide on this and any other matter. There was not one day's delay before parliament was called together. I would suggest to my hon. friend that the procedure adopted by the government in this matter satisfies, in spirit and in letter, the requirements that I mentioned in my speech of January 18 in Toronto, which my hon. friend himself quoted this morning.

Then the hon. gentleman said, and this has been repeated both by himself and others, that if we make this kind of agreement with the United States, and if this agreement is followed up by the technical arrangements which have to be negotiated to ensure the nuclear warheads will be available, under United States custody, for Canadian weapon systems in an emergency, then Canada will become a member of the nuclear club.

I would point out in that respect, Mr. Speaker, that the former prime minister on July 14, 1960 had something to say about this, and what he said seems to me to be very sensible and correct. He said at that time, as reported in *Hansard* at page 6271:

> Mr. Speaker, it is a well known fact that United States law requires that the ownership of nuclear weapons must remain with the United States and that the use of such weapons requires presidential authorization. That is the law as it now stands and as it has been in effect since 1945 or 1946.
>
> At the same time, as I have said before in the house, if and when nuclear weapons are acquired by the Canadian forces, these weapons will not be used except as the Canadian government decides and in the manner approved by the Canadian government. These two elements together constitute joint control, and joint control is consistent with the view I expressed in the house on February 20, 1959, that it is important to limit the spread of nuclear weapons at the independent disposal of national governments.

If joint control is desirable in order to prevent the extension of nuclear weapons under the control of national governments, because if a national government has control of nuclear weapons that would indeed be an extension of the nuclear club, surely it is even more desirable to have as broad a based control as is possible under NATO so there will be additional safeguards to the use of these weapons and there will be additional obstacles against their extension under national control inside the NATO coalition. The former minister of national defence also had something to say about this on August 5, 1960, when, as reported in *Hansard* on page 7652 he said:

> So whether these warheads are placed in Canada or in the leased bases in Canada or in the United

Kingdom, the United States still retain possession of them until such time as the President of the United States releases them for use to the authorities of the country concerned.

That surely makes it clear that in the eyes of the recent government and in the eyes of the present government the provisions we are seeking for joint control of these weapons as long as these weapons are in the hands of Canadian forces, the provision for this kind of control to be brought under the authority of NATO to the greatest extent possible, is not putting Canada into the nuclear club and will not be interpreted by other countries as doing so. I ask the hon. member for Burnaby-Coquitlam (Mr. Douglas), if he doubts that, whether he considers that those members of NATO who already have nuclear agreements with the United States are members of the nuclear club—Turkey, Greece, Italy, the Netherlands, Germany and perhaps one or two others. Is Germany a member of the nuclear club? The position of Canada, if these negotiations are satisfactorily concluded, will be exactly the same as the position of those other members of NATO who have made agreements and acted on them. Therefore, it is perfectly consistent to maintain that position while doing all we can—and we shall do all we can—to prevent the extension of the national manufacture and national custody or control of nuclear weapons.

Mr. Diefenbaker: Would the right hon. gentleman allow a question? Did he not, on January 9, 1961, state in effect that the acceptance of nuclear weapons under joint control would in fact be making Canada a member of the nuclear club?

Mr. Pearson: I do not recall making any such statement in those terms. I am stating the position now as I know it to be in the light of all the information I have secured, including some information which was not available to us when we were in opposition and which reinforces the position we take on this matter.

The hon. member for Vancouver East (Mr. Winch) says that Canada has no commitment, or that he cannot find any commitment which requires such a decision as we have taken in order that it might be implemented. The hon. gentleman in his interesting speech quotes General Gerhart in support of that point of view and says Canada was not committed to nuclear arms under NORAD. Of course, it is perfectly true that when Canada under the previous government agreed to the establishment of NORAD there was no commitment of any kind regarding nuclear weapons, because the Canadian contribution to NORAD at that time was the Canadian Arrow airplane. It was only subsequent to the destruction without trace of the Arrow and the acceptance by the previous government of the Bomarc missile that Canada accepted a nuclear commitment, because that missile, as the former prime minister has pointed out so many times, cannot be effectively used without nuclear warheads.

An hon. Member: Could the Arrow?

Mr. Pearson: Indeed, the Arrow could, and when the Arrow was constructed it was not suggested by those in charge at that time that the Arrow should carry nuclear weapons at all. But the prime minister of the day said, as will be found on page 1223 of *Hansard* of February 20, 1959, that the full potential of these defensive weapons is achieved only when they are armed with nuclear warheads—the Bomarc, the F-104, the Honest John and the Voodoo. He went on in the same speech to say—and I ask the house whether this is a commitment or not:

> It is our intention to provide Canadian forces with modern and efficient weapons to enable them to fulfil their respective roles.

And these roles, as the former prime minister stated at the time, could not be effectively fulfilled without the nuclear warhead. In the same speech, to make this point doubly sure, the prime minister of that day said:

> We must reluctantly admit the need in present circumstances for nuclear weapons of a defensive character.

Therefore, I ask the hon. gentleman if, having accepted this role, certain consequences do not automatically follow. When you accept a role you accept a commitment to undertake that role effectively. Having accepted the role, did not the previous government accept a commitment to acquire the ammunition without which these weapons systems would not be effective?

This is not a commitment put in the form of a treaty. It is not a commitment put in the shape of a formal agreement between two governments for ratification. But it is a moral and political commitment if any government ever made such a commitment to any other government.

Mr. Douglas: May I ask the right hon. gentleman a question? Did the Prime Minister think Canada had a commitment when he made his speech to students at Saskatchewan university on November 28 and said he was opposed to Canada accepting nuclear weapons?

Mr. Pearson: I have that clipping from a university question and answer period to which the hon. member has referred and to which he also referred this morning. He did not read all of this article and, of course, what

he read was not in quotation marks. Oh, yes. I see it is in quotation marks. I said this, also in quotes:

> Canada's NATO defence commitments are such that they cannot be discharged without nuclear weapons.

That is what I told the students. I will read on. This is also in quotation marks:

> When these commitments were introduced, the Liberal party opposed them, not because of disagreement with the notion of collective defence, but because we felt it was the wrong role for Canada to play. Now we must either discharge our commitments or change them.

That, Mr. Speaker, is our position. The weapons systems are there. We learned last autumn that delivery of the F-104s was taking place—that the airplanes would in a few months be in Europe in the hands of the squadron. The Honest John missiles were in the hands of the regiments. The Bomarcs were on site at North Bay. At that time there was no possibility of changing this role without scrapping a billion dollars worth of equipment. Canada had to follow through until those roles were changed, and this government intends to do just that.

At that time, last autumn, we learned what could happen when you accept certain responsibilities. We learned from the Cuban crisis what the acceptance of certain commitments and responsibilities can do to our relations with our neighbour and our friend and we also learned last autumn over at the NATO meeting what the refusal of the government of that day either to alter the role they had undertaken or to follow through had done to our reputation in the NATO alliance. If the hon. gentleman in the face of all this evidence does not believe that some commitment was accepted by Canada, will he explain why the former minister of national defence and other ministers of the previous government resigned from that government? Was it not because the commitment was not being carried out?

Hon. members on the other side may now say there was no commitment, but they will not get support from at least one member of the front bench opposite in that regard. Therefore, it is clear the government cannot support the subamendment moved by the hon. gentleman. The subamendment says:

> We regret that Your Excellency's advisers have indicated their intention of acquiring nuclear arms for Canadian forces—

What we have indicated our intention of doing is to negotiate, if possible, a satisfactory bilateral agreement of the type negotiated between the United States and other NATO members and, if a satisfactory agreement providing for joint control can be reached, to proceed then with the technical arrangements which will make it possible, not to acquire nuclear arms but to acquire the nuclear warheads for the arms systems which have already been obtained and which cannot be used effectively without them. And we propose to do this in a manner which will not prevent in any way the fight for disarmament in which this government will participate to the best of its ability. The first form of disarmament we must seek is nuclear disarmament, and the first form of that is the abolition of all testing. It is possible for the government to adopt this policy, until our role and commitments are changed as a result of defence reviews, without weakening in any single respect our fight for disarmament and for peace and security in the world. Thus I think the terms of the subamendment, particularly the expression "acquiring nuclear arms" are not accurate.

Then the subamendment goes on to say:

> —thereby lessening the chances for nuclear disarmament and increasing the danger of nuclear war.

If the decision taken by the government to proceed in the direction I have indicated, along with other NATO members, is lessening the chances for nuclear disarmament and increasing the danger of nuclear war, then the implication of the criticism made by the hon. gentleman and his group is that we should withdraw from NATO, because the NATO alliance is now committed to a nuclear tactical deterrent. I do not believe for a minute that the nuclear tactical deterrent in the hands of the NATO council lessens the chances for nuclear disarmament or increases the danger of nuclear war. I think that until we can reach a general disarmament agreement, or some easing of tension which will allow a reduction of nuclear strength among those powers which now have it, there is no alternative open to the alliance but to make it conventionally strong in order to meet the first shock of an attack and then to build up a collective tactical deterrent should that conventional strength not be successful in holding the first attack. That seems to me to be a sensible defence policy and one which does not lessen the chances for nuclear disarmament or increase the danger of nuclear war. For these reasons we shall not be able to support the subamendment.

Mr. Nowlan: I should like the Prime Minister to clarify the thinking of one poor layman on this complicated subject. The right hon. gentleman has talked about commitments. He has talked also about negotiating. He used the expression "if we can negotiate an agreement". Are we committed before we negotiate an agreement or after we have negotiated it? If we cannot negotiate an agreement, what about the commitment?

Mr. Pearson: I should like to do everything I can to clarify the rarely bewildered mind of my poor layman friend. Surely, the hon. gentleman must know that when a government undertakes for its country a certain role in collective defence it also undertakes to adopt the means necessary to carry out that role. Otherwise, what is the point of accepting that role? You deceive your own people and you deceive the allies who rely on you to carry out that role. I am thinking, now, about the air division. Once we undertook the strike reconnaissance role for the F-104 aircraft we undertook to be effective in that role. That cannot be done without the acquisition of nuclear warheads. Having undertaken the role, the government of the day also undertook to negotiate an arrangement to that end with the United States. Indeed, it had begun negotiations for that purpose, thereby indicating it had accepted that commitment, too. But it did not follow through with those negotiations. We propose to do so.

Mr. Douglas: I wonder if I may ask a brief question. In view of the fact that Denmark and Norway have not accepted nuclear weapons under NATO, does the Prime Minister consider that they, too, ought to withdraw from NATO?

Mr. Pearson: I do not for one minute. The Danish and Norwegian position was made clear at the beginning. They did not wish to participate in any form of collective nuclear defence under NATO. They did not wish to acquire nuclear warheads for any of their weapons and they did not wish to have the nuclear weapons of any other member of NATO on their soil. They made that perfectly clear. They also accepted the resolution of December 17, 1957, concerning the necessity of NATO itself building up a nuclear deterrent force. However, they said from the beginning they did not wish to be involved in its implementation. Their decision was clear and it is respected. That is a very different situation from the one in which Canada finds itself at the present time.

Mr. Gregoire: About these commitments by Canada. Can the Prime Minister tell us at what level they were taken? Was it at cabinet level or at military staff level?

Mr. Pearson: The government of the day should answer that question. But the former prime minister spoke to the house on his return from a NATO council meeting and the minister of national defence also spoke to the house later indicating the new kind of strike reconnaissance role which had been undertaken. Therefore, the commitments were undertaken at the appropriate level, which was the level of the government of the day.

[Mr. Nowlan.]

Mr. Gregoire: But those commitments were not endorsed by parliament.

Mr. Pearson: They were brought before the House of Commons and the government was not defeated in the debate which followed the making of those commitments. Therefore, they were endorsed by the house.

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, on entering this debate for the first time I should like to convey through you, Mr. Deputy Speaker, to the Speaker of the house my congratulations on his appointment to an office for which he is eminently suited by training, character and disposition. I should like to wish him well in the performance of his duties.

I should also at this stage express my congratulations to the mover and the seconder of this address who capably performed a rather difficult task, as is recognized by all of those who have preceded them in entering the House of Commons. I hope they continue to have success in their deliberations here.

I had not intended, Mr. Speaker, entering into the debate on this particular subject at this time, but it is an interesting topic and I should like to deal with some of the remarks which have been made. I take note of the fact that this morning the leader of the New Democratic party was as bold as a lion in presenting a case against the government, whereas the night before he had been very mild indeed, talking about no need for another election, and echoing the sentiments of the leader of the Social Credit party about it being urgent now for people to get down to business, that politics should be forgotten, and that a non-partisan approach should be taken to these various subjects. I do not see how you can have non-partisan approaches where political parties have divergent opinions on so many matters. The leader of the New Democratic party softened his attack when he finally came to move his amendment, with which I shall deal later on.

We have just listened with some interest but not much enlightenment to the remarks of the Prime Minister (Mr. Pearson). Yesterday he was talking about the building up of straw men and knocking them over. This is a field in which he is adept. Today he built up a straw man. He said that the dissatisfaction with the amendment moved by the New Democratic party was dependant upon an attitude taken by that party at some convention, or on another occasion, with regard to NATO. The amendment has nothing to do, as I see it, with NATO; it has something to do with the announced policy of the present government, but the Prime Minister

spent a great deal of time talking about the New Democratic party and its general attitude. It was for that reason he said, that he could not accept the amendment.

We might suggest that the subamendment should be accepted by the government for the very reason that in days gone by the Liberal party time and again expressed itself quite forcefully against any extension of the nuclear club, against any extension of the use of atomic weapons, and was quite clear that there should be no nuclear weapons on Canadian soil. I think that now the Liberal party would find itself in agreement with this amendment in view of its past history.

Of course, a most remarkable change took place during the parliamentary recess last December-January. The leader of the New Democratic party asked the present Prime Minister where he had been during that recess, whom he had seen, to whom he had talked, from whom he had taken his instructions, and I would repeat those questions to which we have not had an answer. Something happened in the interval, and the reversal of a position taken occurred early in January.

In addition to building up a straw man concerning the policy of the New Democratic party, the Prime Minister also referred at some considerable length to the decision of the North Atlantic council in December 1957. He said that the parliament of that day raised no objection. I might remind him that there was no indication in that decision that Canadian forces would be using nuclear weapons or that nuclear weapons would be stored on Canadian soil. The North Atlantic council decided—and I read from the communique of that period—the following:

> NATO should establish stocks of nuclear warheads which will be readily available for the defence of the alliance in case of need.

The NATO council decided to accept an offer by the United States government under which that government—

> —would deploy nuclear warheads under United States custody in accordance with NATO defensive planning in an agreement with the nations directly concerned. In the event of hostilities nuclear warheads would be released to the appropriate NATO supreme allied commander for employment by nuclear capable forces.

There was agreement by Canada to that general policy on the part of NATO in order to bolster up the weak conventional forces of that day; but there was no obligation, intention or desire on the part of Canada to play any part in that nuclear deterrent force; and in any case the weapons were all held by the United States. So I fail to see what relationship there is between the situation at the present moment and that prevailing in 1957 when the Prime Minister attempts to make out that the parliament of that day raised no objection to the NATO policy as announced in that year.

The main attack launched this morning by the leader of the New Democratic party was on the flouting of parliament, on the disregard of parliament by the present government, on the contempt for parliament shown by the present government. He made his case on the fact that the Prime Minister had announced that Canada was going to go ahead with providing nuclear weapons for her forces and was going to have nuclear weapons placed on Canadian soil. It was to this that the leader of the New Democratic party objected. He said that this was not correct. He said: "You, the government, have not received a mandate from the people to take any such action as this. Nor have you received a mandate here in parliament. You do not know whether you are acceptable to parliament as the government of this country. You have been taking action without authority". It was on that basis that the amendment was drawn.

My expectation had been that when the amendment was read out, after the word "intention" the phrase "without consulting parliament" would have appeared. The amendment would then have read:

> We regret that Your Excellency's advisers have indicated their intention without consulting parliament of acquiring nuclear arms for Canadian forces—

—and so on. That was the sum and substance of the speech made by the leader of the New Democratic party—the lack of authority in the hands of the present government, no mandate from the people to do this, no authority from this parliament to take any such action whatsoever.

I find it very difficult to follow the Prime Minister (Mr. Pearson) in his convolutions, ramifications and wanderings with regard to this particular question. Even in the speech from the throne, where there was a chance for clarity of expression after an election campaign when nuclear arms were discussed on every platform in the country, all that this government could come up with was the following phrase:

> The armed forces of Canada should have available the modern weapons necessary to perform effectively the defensive tasks which Canada has undertaken in the alliance.

Why should the Prime Minister and his colleagues not have put in clear and distinct words what they mean by "modern weapons"?

Mr. Pearson: The F-104.

Mr. Churchill: Do they mean weapons with nuclear tips? Do they mean nuclear warheads? They are just being evasive. They are afraid to set it out clearly and distinctly so that everybody can understand. I think one can say that our forces have modern weapons right now to perform effectively their defensive tasks. It depends on what the defensive task is and so far our armed forces are prepared for those tasks. There was no clarity there at all.

I noted that the speech the right hon. gentleman made yesterday was filled with many ifs and buts and other qualifications. He is speaking about the NATO council meeting and he says, as found on page 63 of *Hansard*:

> It is quite clear from the nature of this meeting that there will be no discussion, let alone any recommendation, about the actual role undertaken by any member of the alliance.

Just two paragraphs later he says:

> It may well be that at the NATO council meeting there may be a recommendation that the defence policy of the coalition should be re-examined. I would hope that could be done—

On the one hand, he says it is quite clear that there will be no discussion or recommendation about the role of any member and then he immediately goes on to say that there may be a recommendation with regard to the role or defence policy of the coalition. He then expresses the hope that there will be, and I presume he has given instructions to the delegation representing Canada at the NATO meeting to raise that question. Then he goes on to say, and he repeated it this afternoon—

> —just as Canada's defence policy will be re-examined in this house and by a special committee of this house.

I wonder what that will amount to? This is a great sop thrown to parliament. A defence committee on policy—I am not sure they have said it will be on policy—will be appointed. If it is a defence committee on policy the purpose is to give the government a chance to evade its responsibility. Time and time again we heard last year from members who now sit on the treasury benches that it was the duty of a government to make a decision and get on with the job. Here you have an ineffective, uncertain, poorly organized government not sure of its position saying: We do not know what we should do about defence policy so we will set up a committee of parliament to give us its opinion.

Why not set up a committee to determine the budget for parliament? That would be a nice, non-partisan interparty committee to determine the economic future of Canada. Is the government not prepared to make a definite statement of policy with regard to our economic conditions, with regard to taxation and things of that nature? I think perhaps it is; but on defence, oh, no. This is a very touchy subject, so we must all get together and get the government off the hook.

I call upon the government to come out clearly, decisively and with frankness and say just what its policy is because it is not disclosed in the speech we heard yesterday by the Prime Minister or in what he said this afternoon. He went on to say yesterday with regard to the NATO meeting:

> The only question that will arise here is whether those forces will be under a separate NATO nuclear command; whether the R.C.A.F.—

Then he puts in an if clause again.

> —if it discharges the nuclear role accepted for it, should continue its present position in the NATO command or whether it should be under a separate NATO nuclear command organization.

Why is there some suggestion of doubt whether the R.C.A.F. will discharge the nuclear role accepted for it? The if is there. There is an escape hatch, a way out for a person who has spent quite a bit of his lifetime working out means of evading issues and skirting around problems.

The Prime Minister was at great pains to point out that last autumn the problem was clear, that members of the Liberal party found out that Canada was not, as he put it, living up to her commitments. He has not defined those commitments. He is still searching to see what commitments there are, if any, but he said last fall that they had found out that the delivery of Starfighters was taking place in Europe. I ask the Prime Minister: What Starfighters were delivered in Europe last fall? How many? How many are now there ready for action? How many were ready in the middle of April this year?

An hon. Member: He does not know.

Mr. Pearson: Not one, because they need ammunition.

Mr. Churchill: The present Minister of National Defence (Mr. Hellyer) does not know or did not know last winter. Only one squadron of 18 planes was ready by the middle of April of this year, and yet members of the Liberal party have been talking for the last several months about the air division in Europe being unarmed. The air division in Europe does not consist of Starfighters yet. It is being reorganized so that it will be equipped with Starfighters, and only one squadron, 18 planes, was ready by the middle of April and it will not be fully trained for active service until some time in June. Those are the facts.

Why did the people who made these great discoveries last fall not tell us and tell the people of Canada what they had discovered?

They discovered last fall that the Starfighters were only in the process of being sent over to Europe, that they had to be modified to a very great extent after they reached there and that only one squadron was to be ready by the middle of April.

An hon. Member: Political purposes.

Mr. Churchill: The Prime Minister interrupted and said there was no ammunition for them. They have created the impression that we have 144 planes flying around in Europe unarmed. Not at all. Only 18 of them were ready by the middle of April. When the time comes to arm them, are they going to be flying around with nuclear bombs attached to their undercarriages? Are they going to try practice shots with these nuclear weapons? This morning I asked a question of the Minister of National Defence (Mr. Hellyer) with regard to the Honest John rocket battery. We had bogus information spread by the Liberal party for several months to the effect the Honest John artillery battery was sitting over in Europe unarmed, not ready for action. They said that the missile on board the rocket discharger had sand in the warhead. Well, it is not sand, it is concrete and it is there for a purpose.

Some hon. Members: Oh, oh.

Mr. Churchill: The Secretary of State (Mr. Pickersgill) laughs, but he laughs from ignorance. This concrete is there for a purpose. In order to obtain the equivalent weight of the live warhead on the missile that will be used in wartime, this concrete filled warhead has been attached. This enables the troops to get their full training short of discharging a nuclear weapon. They have a missile of the same length, the same size and same weight as they would use in wartime. Would you have this battery of artillery travelling about Europe with nuclear warheads on board? What if somebody pushed the trigger by mistake? Of course, it is all nonsense. These weapons will not have nuclear warheads attached to them until the alert has been sounded and war is imminent.

Mr. Pearson: You have no agreement with the United States to make that possible.

Mr. Churchill: The Honest John artillery battery is only a 20-minute drive away from the missile storage dump and when an alert is sounded they could be ready to be deployed within two hours.

Mr. Pearson: The missiles cannot be released.

Mr. Churchill: They come under the British division which has charge of the missile dump. If war broke out the missiles would be provided for the Honest John battery. Here, we have been given the false information that this battery is over there, that it is useless, and so on. This is not true. The battery is well trained. I saw it and I saw the missile dump. They could go into action in under two hours fully armed with atomic warheads. It would be simply ridiculous to have these atomic warheads attached now and in the hands of troops who would be used on manoeuvres. You certainly do not take practice shots with atomic warheads.

I asked the Minister of National Defence this morning if he were going to have the Honest John equipped with these nuclear warheads. He said that this matter was under consideration by the government and the decision would depend to a considerable extent on the outcome of negotiations now being carried on by his colleague the Secretary of State for External Affairs (Mr. Martin). Well, he will not get much help from him. Why is the Minister of National Defence not taking part in these consultations?

This is the situation with regard to these matters. Furthermore, Mr. Speaker, when you talk about the Starfighter, the missile dump for the Starfighter at Zweibrücken was started in the wintertime and when I was there in February it was only partially completed. It will not be completed until June, so how can you arm Starfighters with atomic weapons when the missile dump has not been provided? My friends in the Liberal party have been misleading the public across this country by giving them false information concerning our air division in Europe and the availability of atomic missiles for that air division.

The Prime Minister (Mr. Pearson) talks about living up to our commitment. We have stated, and we state again, that we have met all our commitments. Let him produce a commitment that has not been met. On May 22, 1959, at a meeting of the NATO council, Mr. Dillon for the United States and Mr. Heeney for Canada signed an agreement for co-operation in the use of atomic energy for mutual defence purposes. This document was tabled in congress before being printed on July 14, 1959 and is listed as report No. 513 of the Senate of the United States, 86th congress, first session. I am sure that the Prime Minister would have this information available from that particular source. It is very familiar to him. In the days of the Eisenhower administration, there was no difficulty. President Eisenhower, in his letter of transmittal of this document to congress, wrote as follows:

These agreements will enable the United States to co-operate effectively in mutual defence planning

with these nations and in the training of their respective NATO forces in order that, if an attack on NATO should occur, under the direction of the Supreme Allied Commander for Europe these forces could effectively use nuclear weapons in their defence.

The essential part of this agreement between the two governments is to be found in article I which reads as follows:

Each party will communicate to and exchange with the other party, information and transfer materials and equipment to the other party.

Article II—exchange of information—each party will communicate to or exchange with the other party such classified information as is jointly determined to be necessary to:

(B) The training of personnel in the employment of and defence against atomic weapons and other military applications of atomic energy.

Then, article VI reads:

Under this agreement there will be no transfer by either party of atomic weapons or non-nuclear parts of atomic weapons.

Atomic weapon is defined as any device utilizing atomic energy, the principal purpose of which is for use as a weapon. This is the extent of the agreement and it dates from 1959. We could have information, our troops would be trained in the use of those weapons, but under no circumstances would the United States allow these nuclear weapons to be transferred to the use of another country.

Here is the difficulty in which the Prime Minister finds himself. He talks airily about the United States having a finger on the trigger and Canada having a finger on the safety catch. He talks airily about joint control, the two-key system. Let us discover what he will come up with in his negotiations. He will find that strict control will be kept by the United States. As the Winnipeg *Tribune* put it in big headlines on May 16, "U.S. will guard nuclear warheads on Canadian soil". The Prime Minister said the nuclear storage points would have what he called an outside security guard of Canadian troops. Canadian troops will not be allowed within the compound; they will be kept outside. Not one nuclear weapon, if ever obtained, will be fired without the consent of the United States. The Canadians would simply be carriers or users under United States authority or control as the Winnipeg *Tribune* suggests. I quote from the editorial of May 16:

What he meant all along—

Referring to the present Prime Minister.

—on the "acceptance" of nuclear arms was the establishment on Canadian soil of American nuclear depots, under American control and custody.

Mr. Deputy Speaker: Order. I regret to interrupt the hon. member but must inform him his time has expired.

Mr. Pickersgill: Mr. Speaker, the hon. member is a former minister of national defence and I am sure every member of the house would wish to hear what he desires to say on this all important subject.

Mr. Deputy Speaker: Has the hon. member the unanimous consent of the house to continue his remarks?

Some hon. Members: Agreed.

Mr. Churchill: Well, Mr. Speaker, I am very grateful for the consent of the house but I myself am not favourably disposed to extending the time for people to speak, so I will just conclude by reading the second paragraph in the editorial which is as follows:

As we progress from here, our government has at last made it plain that "acceptance" of nuclear weapons means the establishment of American military enclaves on our soil. The proposed agreement today supposedly entails depots for the Bomarc sites and perhaps the Voodoo fighter bases.

This is the issue which has to be considered very carefully in all these matters and, Mr. Speaker, I may participate again on this subject of defence at some future date.

I would like to finish by simply saying that the amendment as moved by the leader of the New Democratic party, taken in conjunction with the very telling attack he made on the Prime Minister this morning, makes good sense; and if it had read:

We regret that Your Excellency's advisers have indicated their intention—

—and we understood this in accordance with his speech—

—without consulting parliament—

—and this is the nub of the matter—

—of acquiring nuclear arms for Canadian forces, thereby lessening the chances for nuclear disarmament and increasing the danger of nuclear war.

—then the subamendment is not unacceptable because we think that parliament has been affronted and its rights derogated by the action as announced by the Prime Minister.

Mr. Pickersgill: Mr. Speaker, I wonder if the hon. gentleman would permit me to ask him one question?

Mr. Churchill: Yes.

Mr. Pickersgill: My question is this: if the government is not now consulting parliament what does the hon. gentleman think the government is doing?

Mr. Churchill: Mr. Speaker, we appreciate the kindness of the house leader and the members of the government in permitting us, the people on this side of the house, to move amendments and discuss those amendments. If they wish to consider this a form of consultation, well we will have to accept temporarily their interpretation, but if they continue to consider that this is consultation they will not last very long.

(Translation):

Mr. Guy Marcoux (Quebec-Montmorency): I should like first of all to congratulate you on your appointment to the office of chairman of committees of the house and of Deputy Speaker. I also extend my best wishes to Mr. Speaker himself.

I also wish to congratulate the mover and the seconder of the address in reply to the speech from the throne, as well as the President of the Privy Council (Mr. Lamontagne) who, by getting himself elected as member for Outremont-St. Jean, has accomplished the most remarkable feat of his career.

I should like to take this opportunity to speak about my riding of Quebec-Montmorency and to point out that in the 1962 election, there were 12 candidates, while in April 1963, there were at least nine. This shows that Quebec-Montmorency is somewhat active in the field of politics.

I also wish to say a few words about certain industries of my riding which are faced with difficulties at present. For instance, the shipyard of St. Laurent, on the island of Orleans, which can build various kinds of ships is on the point of closing down because certain contracts that it could carry out have not yet been passed.

There is also the case of the employees of Valcartier arsenals and of the C.A.R.D.E., who wonder whether they will keep their jobs long, in view of the present circumstances.

Certain postal employees also often make representations to me with regard to their working hours, salary rates as well as other difficulties they encounter.

Finally, I wish to say a few words about veterans, several of whom asked me if it would be possible to receive old age pensions at the age of 65, without any means test as well as an increase of their regular veterans' pensions.

We have heard earlier about the election campaign. Someone hinted that the party now in power had received certain amounts of money. It was said that it had carried out propaganda, which if it was not untrue, was at least rather remote from the truth.

I have here some newspaper clippings, one being from *L'Action* dated April 4, containing a Canadian Press dispatch, which I quote:

> All parties, except the Liberals have reduced their publicity budgets.

Certain publicity methods have been employed which have elicited derogatory comments on the part of the very persons who were being quoted. I have here an article published in the Sherbrooke *Tribune* dated Wednesday, April 3, 1963, in which Father Bouvier denounces the use of his name and the opinions credited to him.

That is why I was very disappointed to learn that certain of my colleagues were throwing themselves wholeheartedly in the arms of people who had used such methods.

I should like now to comment on the international situation which seems to be in the foreground of the present time.

We should not forget that we are now living through and now witnessing a test of strength between east and west. It should not be forgotten also that the eastern group, ideologically speaking, is closely tied to its doctrine of atheistic materialism, while such is not the case with the western forces. So, I think we should identify ourselves a bit more with the anti-atheistic materialism doctrine by recognizing God as the object of our endeavours. Nor should we forget that the eastern powers use their economic system to make their ideology acceptable to underdeveloped countries.

As for us, we have always based our ideological policy on the restrictions imposed by our economic system. That is why Social Credit has constantly favoured an economic policy in keeping with the democratic system we wish to extend to all people on earth.

There is a lot of talk about nuclear weapons, to such an extent that the people of Canada, that of Quebec included, of which I am a representative, finally realize once again that the old-line parties are treating them with scorn most of the time and may change their mind. One wonders if it is not simply a question of taking over the government and of using arguments with which to win elections.

Most people today are inclined to believe that the question of nuclear arms is beyond discussion. There are some who are 100 per cent for, other who are 100 per cent against. It is said that the matter cannot be discussed. Be that as it may, it seems to me that we have here a complex problem the solution to which does not meet with unanimous approval.

Consequently, I should like to recall historical facts, the better to put ourselves in the picture, as I myself can see it.

At the end of what has been called the "Japanese war", the damages wrought by the atomic bomb were revealed to the public at large. The United States of America alone held the secret of atomic power. But Russia was not to remain far behind. With the assistance of spies, as the Gouzenko affair clearly revealed, they soon made up for lost

time and perfected a bomb just as powerful as the one which was exploded over Hiroshima. Thus, a second giant was born which was a true match for the first one.

In the following years, the present Prime Minister used his influence to play a role which was later described as a mission of peace. At the time, he was trying to put across the following theory: The United States remained the great defenders of democracy. They were to increase their assistance to underdeveloped countries and, consequently, the American policy was the only one which could save the rest of the world from Soviet domination. That is still true today.

Then, in 1957, Canada gave a new direction to its foreign policy. Having never been too enthusiastic about the colonial powers and having never associated itself with capitalism, our aim was to take advantage of the situation and to stress the great prestige our country enjoyed considering its relatively small population to promote a policy of neutrality. Canada strived to convert the uncommitted countries of the world to form a group of neutral states which would stand up against the adoption of nuclear weapons.

While Castro fed Cuba to the Russian bear, Canada succeeded in winning the uncommitted countries to the idea of forming an association.

Thus, our country made quite a reputation for itself by its action among the new states, first to spread the American policy and then to unite the uncommitted countries for the maintenance of peace outside the sphere of influence of the two nuclear giants.

At the very moment when Canada was carrying on its work as a mediator, it decided to accept defensive nuclear weapons. Canada had to meet her obligations towards NORAD and NATO. Faced with this fact, the Canadian government had to make its decisions public, while safeguarding its interests as much as possible from the electoral point of view. With typical indecision, the Conservative government chose to remain on tne fence. The present Prime Minister expressed himself categorically. Canada should not become one day a nuclear power.

I have here the Liberal program of 1962 from which I shall quote a few excerpts:

For instance, Bomarc missiles are useless without nuclear warheads; on the other hand, their effectiveness is so doubtful that the previous government refused to equip them with such warheads. A new Liberal government would avoid such indecision and such costly wastefulness. It will not venture into projects entailing heavy expenditures and abandon them later on by refusing to purchase the weapons they require.

That was the Liberal program of 1962, and here is what we find further on:

In the light of current data, the defence policy of a new Liberal government will not require Canada to become a nuclear power through the manufacture, acquisition or use of nuclear weapons, whether under Canadian or American control.

This is again the Liberal program of 1962, bearing the picture of the present Prime Minister.

The socialists have also stated clearly where they stand. I am not speaking of the party itself, but of socialism in general. They are positively against nuclear arms. They even suggest complete disarmament to the United States and, apparently, the same suggestion is to be made a little later on to the Soviet union. There is then no compromise possible as far as they are concerned. It was said earlier, of course, following the statement of the Prime Minister, that both groups should not be too closely identified.

I have here an excerpt from the March 20, 1963 issue of the Moncton *Transcript,* where I find the following:

(Text):

Leslie Morris, leader of the Canadian communist party, said Tuesday night that party members across the country are being urged to actively "support, work for and help finance" the campaigns of the New Democratic party candidates in the federal election campaign.

(Translation):

This is what is said further on:

(Text):

Mr. Morris said strong N.D.P. representation in parliament is the best guarantee that nuclear arms will not be brought into Canada.

(Translation):

I have here a statement made by Mr. Leslie Morris, secretary general of the Canadian communist party, where he says the following:

We beg of you, in the interests of peace and of our country, to vote in the House of Commons, against the adoption of nuclear arms.

And we know that the Canadian communist party is doing much more for other countries than for ours. Furthermore, in this statement, the rejection of nuclear arms is requested.

A great number of voters refused to accept the Liberal platform regarding nuclear arms, devotedly subservient to Kennedy.

And, finally it is said in that circular letter:

Peace, national security and the life of each one of us will be endangered if we accept Kennedy's nuclear plans.

This means, Mr. Speaker, that the situation is not as simple as we are led to believe.

The election takes place, the sessions run their course, and the government cannot explain clearly its defence policy. And then the present Prime Minister goes to the United States. We know what happened there. Apparently he met with General Norstad. Following that interview he seems to have suddenly reversed his policy. Canada, it seems, must have nuclear warheads. He seems to be prepared to play again the part of the United States' emissary, consisting precisely in advocating the policy of our friends to the south and to become the non-official spokesman of the state department, which itself considered not without interest the possibility that the non-committed group might come round to its policy.

Then came the dissolution of both houses following the amendment everyone knows about. The present Prime Minister condemns again the adoption of nuclear arms while insisting that our commitments towards the United States must be fulfilled. Obviously, it is an admission that, in spite of his opposition to nuclear arms, he wants Canada to acquire them.

Speaking of commitments reminds me, for instance, of parents who would have been foolish enough to give rifles to their children and who would be even more so, in my opinion, if they were to give them also bullets to put in them.

The stand I take, along with many thousands of people in Quebec, is a little difficult to state clearly because that question is made up of so many facts.

We must, more than ever, be ready to fight communism, whether on the military or the ideological level. And, at this stage, I am happy to note that the United States are strong enough to challenge the U.S.S.R. in the field of atomic weapons. We will, therefore, morally support that country in its determination to stop the spread of the communist dictatorship in the world.

But—because there is a but—when the former government, after rejecting the Avro-105 program, decided to acquire Bomarc missiles, the President of the United States announced that the Bomarc missiles were obsolete, that they did not constitute, in any way, an effective weapon to stop or destroy enemy missiles carrying bombs of several megatons, in short, that our present means of defence have no value, and that the only possible "alternative" remains pure and simple offensive, and that is what the United States are capable of doing, I would imagine.

In the light of those new facts, and when one thinks of the huge sums of money uselessly spent on a defence system as ineffective as it is obsolete, one can declare oneself against nuclear arms and even ready to fight against the acquisition of such weapons.

Obviously, our low money reserves cannot be wasted. On the contrary, we must use them wittingly in order to help Canada fight unemployment, invest money to fight unemployment and also to help the underdeveloped countries who are waiting for our assistance to throw themselves in our arms instead of seeking help from our enemies.

I do not want to speak longer on the question of nuclear arms. Nevertheless that explains, I think, the various positions taken by different groups. Moreover, I think that we must take everything into consideration before reaching a decision, whatever it is. In my opinion, we cannot settle this question by saying yes or no, as have already done certain irresponsible persons. We must be familiar with all the facts related to the question.

The speech from the throne also mentions the question of bilingualism and also, indirectly, that of biculturalism. In my opinion, before setting up a commission, maybe the government should start by giving the house completely bilingual stationery, whether it is for a French or an English speaking member. I am of the opinion that if all the Commons stationery was printed in both languages, that would be at least a relatively official acknowledgement of the intention that the French language is to be officially recognized.

And when one knows that the President of the Privy Council is the one that will see to the application of these measures, one is entitled to wonder, allowance being made for the past and all respect due to him, if he is still in favour of centralization and if he is still advocating the taxation equalization system he himself invented with the help of a few associates. It is necessary that the autonomy of all provinces be recognized at any price and that the taxation means they need be given back to them.

The speech from the throne mentions the creation of a sort of municipal development bank. Of course this measure, if it is enacted, it will have to take into account provincial rights and privileges. May I point out to the house that nowadays the provinces are less cramped by their lack of funds than by the interest they have to pay on borrowed money. I have here a newspaper article, which appeared in *L'Événement* of Quebec

on March 19, 1963; it states that in the sole province of Quebec, the debenture debt of municipalities amounts to $1 billion.

I think—as the Liberals themselves seemingly thought not so long ago—that only a debt-free money system can really help the municipal governments.

As for unemployment, we are not given too many details about what is going to be done in order to check it.

I remember that in 1958, the present President of the Privy Council, who tried desperately to put the Liberal party back into power, advocated a method which seems quite acceptable to the Social Credit party and which consists in a six-month period of fiscal exoneration which means that, during a period of six months, no taxes will be deducted at the source, as he said at that time, in order to give immediate purchasing power to the people, whereas public works can only be a long term solution.

Incidentally, I think that during the last election, the Liberals have shown that they did have a solution for the unemployment problem: it would be to hold an election for 12 months every year, because, during those campaigns they always had enough money at their disposal and employed very many people.

Another provision which would be very popular in some districts would be the elimination of receipts for charitable donations, which creates many difficulties when preparing income tax returns.

The speech from the throne refers to the redistribution of electoral districts. I hope that this task will be accomplished in a spirit of justice, and taking into account the various categories of citizens and social strata which are represented in this house.

Now, a brief reference to Labrador. I think that this territory should be given back to the province of Quebec. I know that this matter is the core of a very difficult issue. But for a government which claims it can do so much in 60 days of decision, it should be easy to give back to Quebec the Labrador territory which belongs to it.

I should also like to call the attention of the government to the fact that a certain form of socialism has crept into the civil service without its knowledge, I suppose. I received letters from employees of the Post Office Department saying that even in Russia, a treatment like the one experienced by those employees would not be tolerated. I suppose that some pressures could be exerted on the people concerned to make life a little easier for the post office employees. Someone even observed to me lately that some post office employees had enjoyed a holiday on the Queen's birthday while some others were not allowed the same privilege. Surely, something is not working properly in that department.

I would like now to make a suggestion to the Minister of Justice (Mr. Chevrier). We are told that a new penitentiary will be built. It is obvious that the province of Quebec and other areas need penitentiaries because there are laws and there are people who break the law. Instead of building a large penitentiary I would suggest that one be erected in the Montreal area and another in the Quebec city area. I do not imply that we should only build some in the city of Montreal or Quebec but simply in the neighbourhood of both those cities in order to reduce the hardship of those who have to go there.

I hope that this minority government will show that it is prepared to accept suggestions from the opposition parties which, even though they are sitting across the aisle, may have some rational ideas. The whole nation hopes to get real action from this government.

(Text):

Mr. Gerald A. Regan (Halifax): Mr. Speaker, upon this occasion of my first speech delivered in this house I should like to congratulate you upon your elevation to your high office. I am sure that the voices of approval of so many hon. members on both sides of this house properly express the unanimity of opinion upon your appointment. I would also take this occasion to extend to the mover and seconder of the address in reply to the speech from the throne congratulations on the fine jobs they have done.

I come from the historic constituency of Halifax, in the province of Nova Scotia, where we have some of the finest institutions of higher learning to be found in the nation. This is attested to by the fact that expatriate Nova Scotians have over the years held a disproportionate number of high positions in government, commerce and education, not only throughout this nation but also in the United States. My constituency comprises the cities of Dartmouth and Halifax, and the county of Halifax, with a total population in the vicinity of 225,000. Mr. Speaker, we are one of the two remaining dual constituencies in Canada, and I am proud to represent, along with my colleague, the fine people of that area. I might say, Mr. Speaker, that I am proud to be associated, in representing that constituency, with the mayor of Halifax, a man who has worked tirelessly and ably for the betterment of that city.

As a freshman member sitting on this side of the house I was greatly encouraged by the contents of the speech from the throne. Coming from an area which has contributed much to confederation but has never received a full share of prosperity from confederation, I was enormously encouraged by the expressed intention of this government to make the Atlantic development board a vital work force. The funds allocated to this board give it the potential to materially aid the economy of the Atlantic region. This is a vast improvement over the role in which the previous administration had cast this body. The former government made it only an advisory board without funds, capable only of making recommendations to the government, a role which the Atlantic provinces economic council, informally at least, was carrying out already along with its other duties, and doing so with personnel at least equally able. I was pleased to see recognition in the speech from the throne of unemployment as a problem which must be faced. Under the former administration there was an unwillingness to admit that unemployment was an existing problem. I was also pleased to notice the intention to establish a department of industry with an area development agency, because this is of great importance to Nova Scotia. I am confident that this government will use these tools to improve the economic level of the maritime provinces.

There seems today to be a new willingness across the country to recognize the need for special measures to aid the development of areas which have lagged in industrial growth for one or more reasons. Nova Scotia is such an area. As Nova Scotians, we are proud to be part of confederation; but never let it be forgotten that Nova Scotia has suffered much because of confederation. Our national trade lines have been altered and indeed obliterated by the tariff policies which were necessary to develop industry in central Canada. In my constituency, despite disadvantages we have made great strides. We have grown in size and enterprise to the point that we have created an immediate market which will attract and which has attracted many companies to establish plants to serve this market.

One of the principal cornerstones of our progress has been the existence as a vital part of our economy of the port of Halifax. The largest industry of our constituency has since the building of the railway link with Quebec and Ontario shortly after confederation been our port business in the role of handling goods shipped from or to central Canada, in the winter months. Indeed, the establishment of Halifax as a national winter port for this purpose was one of the main considerations which enticed Nova Scotia to come into confederation. This historic role of Halifax as a national winter port was recognized by the federal government many years ago in the establishment of extensive port facilities.

However, Mr. Speaker, successive freight rate increases since world war II, the use of American ports to ship Canadian goods and the ever-increasing volume of winter traffic on the St. Lawrence has adversely affected our port business, so that despite the natural growth of Canada our total import and export tonnage in the port of Halifax has been static or has decreased during the past six years. The competitive position of the port of Halifax has been upset by the new and large subsidies given to competitive areas in recent years. It is true that these subsidies were of an indirect type. The building of the St. Lawrence seaway was such a subsidy to the lake ports. The use of ice-breakers each at a cost of $13,000 a day, just to operate, on the St. Lawrence to lengthen the shipping season to Montreal is a new subsidy for the port of Montreal. Dredging at federal government expense in the St. Lawrence is yet another subsidy to the St. Lawrence.

(Translation):

In Nova Scotia, Mr. Speaker, we follow with interest and we admire and approve the desires of the people of Quebec to improve their situation in the confederation. We always support movements in this direction.

Nevertheless, I am sure that the representatives of this great province, who sit on both sides of the house, will recognize that Nova Scotia has been even less favoured by this same confederation.

Like all Canadians, Mr. Speaker, they acknowledge the need for regional development and they know that Nova Scotia needs help for its development because of the disadvantages of its geographical situation.

Therefore, I am sure that all Canadians will support a review of railway rates so that the Halifax harbour may remain competitive considering the development of winter navigation on the St. Lawrence river.

I am confident that the trade expansion of Canada will permit to increase the volume of shipping so as to make full use of the port facilities of the maritime provinces and on the St. Lawrence.

That is why, Mr. Speaker, I am calling for the recognition of the vital importance of winter shipping for Halifax.

(Text):

After hearing Halifax French, Mr. Speaker, there may be some question whether my colleagues of the French language still want people in other parts of Canada to attempt

to speak it. In these days of giant government deficits perhaps our nation should fully utilize the port facilities readily available for winter shipping rather than spend vast sums to clear ports normally clogged by ice in the winter months. Perhaps this is an unnecessary expense causing our national investment in winter port facilities to be wasted and not used.

We have in Halifax the best year-round, natural, deep-water, ice-free port in the world. The finest port facilities have been established there and it is indeed false economy to abandon this winter port, giving rise to the need of some form of vast new federal aid to our area when we can move toward prosperity on our own, through full utilization of our port.

But, Mr. Speaker, we know that progress cannot be stopped, and if there is to be winter navigation on the St. Lawrence then I am sure that all hon. members will agree that we must have a new look at the railway freight rates applicable to goods imported or exported through maritime ports. I would urge the Minister of Transport (Mr. McIlraith) to establish a commission to investigate the effect of the seaway and of winter navigation in the St. Lawrence on the economy of the maritimes. I would expect that such a commission would revise the applicable freight rates to restore the competitive position of our port, because if that competitive position is restored we in Halifax with our ice-free port are willing to meet competition at any time. For every dollar spent by way of new subsidy to our competitors along the St. Lawrence, let us see a dollar spent by way of transportation subsidy on goods being shipped to or from Halifax.

I should like to say a word or two, Mr. Speaker, with regard to the recently announced pay increases and other improvements for the men of the armed forces. Canada has been able to build an effective volunteer army, navy and air force in the past by offering to the young men of our nation a career in the services which was attractive. It has managed to retain them in the forces by keeping conditions attractive. It has thus kept their morale high. This, many feel, has been far more satisfactory than a system of peacetime conscription but if we are to have our present system we must pay for it. Naturally we must continue to make service life attractive to our young people.

For this reason and because pay increases and other adjustments for our servicemen were long overdue, I hail this government measure as one of the real accomplishments of the first 60 days. These improvements were long overdue. The previous administration had neglected the men of the forces and had thus started to affect the morale of many servicemen.

Coming from the constituency which contains the principal base of the Royal Canadian Navy, I particularly want to say on behalf of the men of the navy that this was a step in the right direction. I am confident that under the able direction of the Minister of National Defence (Mr. Hellyer) the navy will be equipped with the best and most modern weapons and that the welfare of the servicemen will at all times be considered. While I am a member of this honourable house I will, whenever the occasion presents itself during consideration of any matter relevant to the navy, stand with pride and say that I speak for the men of the navy.

A very large amount of my practice as a lawyer, Mr. Speaker, has been devoted to management-labour relations and I have had the privilege, in conciliation, arbitration, certification and in court matters, to act for many of the large unions of our nation. As one who has been very close to and very interested in the welfare of the working man, I want to say that I am extremely grateful for the support which many trade unionists gave me in the recent election. I think they too will find much in the speech from the throne which will increase their support for the new administration. After six years in which many of their problems were neglected and during which the government of the day refused to recognize unemployment as a problem, I feel that we are in for a wholesome and welcome change. I said earlier that the new government in the throne speech has already recognized unemployment as a problem, and I want to say that in my area it is a serious problem because for every person who is unemployed in Ontario there are more than two unemployed, in relation to population, in the province of Nova Scotia.

On the general subject of labour I also want to commend the government on its commitment made during the election campaign that a system of collective bargaining for civil servants will be established. I trust and I fully expect that this system of collective bargaining will also include the so-called prevailing rates employees, because in the past there have been many abuses with regard to the rights of prevailing rates employees and also, of course, of civil servants.

I will be particularly interested, Mr. Speaker, in seeing the pattern of collective bargaining which is outlined in subsequent government legislation and the type of arbitration which is to be implemented in the event that the bargaining parties fail to agree.

Mr. Speaker, I note by the clock that it is six o'clock.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

Mr. Regan: Mr. Speaker, before the dinner recess I spoke of the need for assistance by way of the revision of the freight rates applicable on goods transported through the ports of Halifax and other maritime ports to offset the new indirect subsidies being given to the St. Lawrence area by the building of the St. Lawrence seaway and the use of ice-breakers in winter. I also complimented the administration upon the announced increases and other new benefits being given to the armed forces. I dealt with the question of collective bargaining for civil servants.

There is one other aspect of the speech from the throne upon which I should like to comment before returning to the question of the Atlantic development board. The subject to which I should like to refer is the expressed intention of the government to bring into effect the 12-mile fishing limit along the shores of our nation. The establishment of such a limit will end the disgraceful situation in which foreign fishermen are able to exploit the riches of our inshore fisheries, while Canadian fishermen are limited by the 12-mile rule. This is a measure, Mr. Speaker, which will bring great satisfaction to the fishermen of my area, and is a very important conservation measure for the north Atlantic fisheries in these days of ever increasing trawler activity.

I might say that during the last election campaign some hon. members on the other side of the house from the Nova Scotia area said that this 12-mile limit could not be unilaterally established without causing a very serious rift in our relations with the United States. I can only conclude that hon. members based these statements upon the established ability of the government of that day to get into trouble in the field of foreign relations. I think they also underestimate the capacity of the new administration to diplomatically negotiate a matter of this sort.

May I express the hope that the Minister of Fisheries (Mr. Robichaud), whom I compliment upon his recent appointment, will soon find the opportunity to explore the desirability of expanding the present system of federally operated bait and ice stations. This is a service that is presently limited to Newfoundland, and is one of the services taken over by Canada at the time Newfoundland entered confederation. The expansion of this program to Nova Scotia and other areas would be extremely beneficial and would encourage our fishermen. It would also provide employment in our fishing villages and encourage those who would like to go into the fishery but have hesitated to do so because of the lack of these facilities.

If I may, Mr. Speaker, I should like for a moment to quote from this morning's edition of the Halifax *Chronicle-Herald*. I think there is a particularly illuminating and interesting editorial in that newspaper and I shall deal briefly with only one aspect of it concerning the increased use of the committees of this house. The Prime Minister (Mr. Pearson) has already indicated that this will be forthcoming. I quote:

> More use should be made of the standing committees.
>
> All too often these are bypassed completely; instead, long and rambling discourses are given in the committee of the whole house. The external affairs committee, for example, did not meet once during the life of the last parliament.
>
> If the government would send more of its important legislation to the standing committee, and prevent prolonged debate at the report stage, a considerable amount of duplicate discussion would be avoided.

I applaud this sentiment, Mr. Speaker, and I am pleased to see that there is an indication from the Prime Minister that this will be done.

In conclusion, Mr. Speaker, I should like to return to the question of the Atlantic development board, a matter which is of great concern to the maritime provinces. As I indicated earlier in my remarks, there was disappointment at the time the Atlantic development board was appointed when the former administration made it only an advisory board and largely a duplicate of the work of APEC. Yesterday the Leader of the Opposition (Mr. Diefenbaker) indicated that he is opposed to the expansion of the Atlantic development board from five members to eleven members. I want to say that I feel the Leader of the Opposition is in error in this view, and that such expansion of the board could not help but be very beneficial, particularly in view of the fact that the five-man board as constituted does not contain any representative from labour. The board, as constituted by the previous administration, does not contain any representative of Acadian culture. Oh, it is true there is a gentleman by the name of Mr. Lalonde who lives in Moncton at the present time but I understand he is temporarily stationed in the maritimes and comes originally from Sherbrooke, Quebec. There are other areas and other aspects of the maritime economy

which certainly should be represented on this board, particularly in view of the fact that the present chairman of the board is a comparative newcomer to the maritimes and to this country. Perhaps this might be an added reason for having a broader representation on this particular board.

May I, then, as a new member in this house state my approval of the speech from the throne and my appreciation of the portions therein which directly affect my constituency? May I say that it is a privilege to be associated in this house with hon. members from all four parties?

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, yesterday I thought I had completed anything that I had to say during the debate on the address in reply to the speech from the throne. During the course of my remarks I stated that I intended to deal with the defence problem at the appropriate time, which I considered would be the occasion when the motion to set up a committee on defence was being discussed. However, in view of the turn of events that occurred through the moving of the subamendment by the hon. member for Burnaby-Coquitlam (Mr. Douglas), I find it necessary to speak again.

In view of some of the statements made by the Prime Minister (Mr. Pearson), I propose to deal in general with the problem of defence so far as it relates to the question of nuclear weapons. I will also refer to the subamendment and give a general indication as to the reasons for the stand the official opposition intends to take upon the subamendment. We meet here at a time when the nations of NATO are gathered in ministerial council to discuss the present and future of that organization which is the bulwark of our defence and the only assurance of our survival. This is a matter I dealt with at length prior to the defeat of my government in early February, and what I shall do now is deal with some of the subsequent events, some of the changes of viewpoint which have come to light in the government of today in its discharge of the responsibilities of office.

I am sure all who heard the former minister of defence speak this afternoon were impressed by the cogency of the arguments advanced by him and by the manner in which he placed the facts before the house, as they are and were. What I intend to do is review in some detail the changes of viewpoint on the part of ministers of the government, something of the gyromancy displayed this afternoon by the Prime Minister, and the changes of viewpoint on the part of the Liberal party. Indeed in this matter, while they would endeavour to lead the house to believe that their's has been the course of decision and definiteness, I doubt whether in the history of any parliament there has ever been seen such changes of viewpoint on the part of responsible members of the House of Commons, members in the Liberal party, as they have been blown about by the political winds, by special pressures, or even by visits across the border.

As to the last reference I intend to call as my witness the Minister of National Defence (Mr. Hellyer). He has given his reasons for that sudden change of front by the Liberal party when, on the 12th day of January last, at Scarborough, the party that had stood against nuclear arms suddenly did an about turn. Indeed, sir, the conversion of Saul en route to Damascus could not be compared with the complete change of viewpoint of the Liberal party.

One can understand changes of viewpoint providing they are based on circumstances that demand a change of viewpoint. But, when I last spoke in this chamber on the subject of defence and said that the techniques of defence were changing, that view was ridiculed by the opposition front bench. Yet today, in the *Globe and Mail* there is a report which reads as follows:

> Missiles on Mind, NORAD trims SAGE—The electronic eyes and ears of North American air defence against aircraft are gradually being reduced as the main threat of enemy attack switches from bombers to intercontinental missiles.

That is a proposition I placed before the house and the country on more than one occasion, and that view has been underlined and emphasized today in this press report which goes on to say:

> The Pentagon estimates bombers will remain a prime threat for several years, but the growth of the Soviet missile force—with no indication of any large new increase in bomber production—has caused Pentagon planners to rush more effort on missile defences.
>
> Thus, the semi-automatic ground environment system is marked for a thinning out. Conceived in the early 1950's and built at a cost of about $3,700,000,000, this network of giant electronic computers linked with huge radars was designed to detect approaching enemy bombers and alert interceptors and local missile forces—including Bomarcs—directing them into positions to destroy the enemy.

So, there has been a change or an alteration, and this question of nuclear weapons is one, as I stated in January last, that should be decided by the members assembled in parliament rather than decided by a group of ministers whose change of viewpoint has been kaleidoscopic in every way.

Mr. Speaker, you will remember how they poured contempt on us in 1959, 1960, 1961 and 1962 for ever considering agreement with the United States for provision of nuclear warheads against contingencies.

When I spoke on February 5 last I summarized what I felt was the proper course to follow, as reported at page 3440 of *Hansard* of that date, and I am going to quote what I said:

> It will be necessary, therefore, at this meeting in May—

—referring to the ministerial meeting of NATO—

> —for Canada to give consideration to this matter and we will, in co-operation with the nations of NATO, undertake a clarification of our role in NATO defence plans and disposition.

This afternoon, as the Prime Minister wrapped himself around the NATO organization I could not but agree with him, but I intend to review his views in this regard during those dark days of 1958 and 1959. Then he was not above emasculating NATO.

Mr. Speaker, there is no division of opinion among members of this house in their belief in the efficiency of NATO except a former member of the house who became a convert to Liberalism about 1962, a member from my own province, but he did not come back. What he said about NATO will have to remain embalmed in *Hansard*, for I do not intend to place it on the record again.

Mr. Woolliams: But it gave the Prime Minister some glee.

Mr. Diefenbaker: I went on to say:

> We are united in NATO. We have never and will never consent to Canada breaking any of her pledged words or undertakings.

That declaration stands today as it stood every day while we occupied the government benches. Then I referred to the meeting:

> It is at that meeting where there will be reviewed the entire collective defence policy, that we shall secure from the other member nations their views, and on the basis of that we will be in a position to make a decision, a consistent decision, first to maintain our undertakings and second to execute, if that be the view, the maintenance of our collective defence. In the meantime the training of Canadian forces in the use of these weapon systems can continue.

They said that was an indecisive action—and now they practice what they condemned on our part.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: I also said this:

> Now, I say to the House of Commons this. After that meeting we shall bring this matter before parliament clearly, definitely and finally. I want to make that clear. There is no suggestion of any underhand agreements being entered into.

That was the declaration. That statement, in the light of subsequent events, was the proper stand to take. It is like the attitude taken by this government, after all these changes and tortuous journeyings, finally arriving at a policy and then denying this house the right to decide for itself whether or not that shall be the policy for Canada.

An hon. Member: Selling Canada short.

Mr. Diefenbaker: One begins to realize the meaningfulness of the subamendment. I wish there had been additional words in that subamendment. It reads:

> We regret that Your Excellency's advisers have indicated their intention of acquiring nuclear arms for Canadian forces, thereby lessening the chances for nuclear disarmament and increasing the danger of nuclear war.

However, over and over again in my years in this house members of political parties have determined their course not on the basis of the actual wording but on the interpretation placed thereon by the mover. The emphasis the leader of the New Democratic party placed on parliamentary control indicates the meaning of this subamendment to be, "We regret that Your Excellency's advisers have indicated their intention, without consulting parliament," and so on. That is the meaning I give to the subamendment, which represents, with those additional words which are to be implied, the stand that we in this party took. When speaking on behalf of this party on February 5 I stated that this matter would be brought directly before parliament. But you see what they are trying to do now. They are going to enter into agreements. They are going to acquire nuclear weapons. That was not the original idea, but that is my interpretation of what the Prime Minister said today.

On the other hand, in order to be fair I should quote the words of the Minister of National Defence (Mr. Hellyer), who unfortunately is not in the house tonight. I understand fully the reason; he is attending important meetings where questions of defence are being decided. What interpretation did he give of the course to be taken by this government? On April 24 there was a Canadian Press dispatch headed", "Won't commit Canada to anything—Hellyer". Mr. Speaker, that was in the second day of decision. If you look back over the history of the creation of the world you will find what was done on the second day. But on the second day the Minister of National Defence, as usual, made one of his ex parte declarations, declarations that are either meaningful or meaningless. Knowing his responsibility I have no hesitation in paying my tribute to their meaningfulness. What did he say? He said:

> Defence minister Hellyer said Tuesday night a nuclear agreement with the United States would be "a permissive agreement" which would not commit Canada "to anything".

But that was not the attitude of the Prime Minister today. We want to find out what the result of this will be. He said on the

C.B.C. television program "Inquiry" that with a permissive agreement "we do not bind ourselves to any specific action". What is this, Mr. Speaker? Is it a dialectic game? We would not commit ourselves to anything, he said. He spoke to the reporters immediately afterwards. It is always well to see them afterwards and give them the benefit of what you meant when you said something different. This report reads:

> On Monday Mr. Hellyer told reporters immediately after being sworn into the new Liberal cabinet that he expected a Canada-United States nuclear custody-and-control agreement would be signed in about a month and that the nuclear warheads would be made available to Canadian forces six months after that at a maximum.

You pay your money and you take your choice. By their words you shall know them. What did he say on September 12, 1961, as reported at page 8231 of *Hansard*?

> For this reason—

He was dealing with the question of Bomarcs:

> —we continue to believe that it is not worth while to put Canada into the atomic club—

Some hon. Members: Oh, oh.

Mr. Diefenbaker: Mr. Speaker, today there was a play on words on the part of the Prime Minister, who pretended that when he spoke of nuclear clubs and atomic clubs he meant the production within any country or the exclusive use and control within any country of nuclear weapons. Nothing of the kind. The definition is clear:

> —it is not worth while to put Canada into the atomic club, into the group of atomic nations, when the advantage of having atomic weapons on Canadian soil is so negligible.

Then he said:

> We reserve the right to reassess this position if at any time in the future the west should be successful in developing a really effective anti-missile missile. That would change the picture considerably. At the present time, however, there is none and we are basing our policy on the facts as they exist.

Well, we have not been effective in that direction. We have tried but, unfortunately, without success. Mr. Speaker, the facts have not changed since September 12, 1961, in that regard.

I intend to deal, now, with our attitude in general. I say immediately that there are and were no commitments on the part of Canada to accept nuclear weapons. And, Mr. Speaker, I have no doubt that since taking office hon. gentlemen opposite, busy as they are in these days of decision, have searched with microscopic care. They have searched but they have not found. Now they change their story and say that if there was no agreement one was implied in the acceptance of two Bomarcs on Canadian soil.

An hon. Member: What about the Voodoo?

Mr. Diefenbaker: I shall deal with that in a moment. Now I shall go back a little because—remember this—the whole basis of the argument put forward by the Prime Minister is that in 1959, on February 20, I made an undertaking, a commitment, on behalf of Canada. So he knew it. He cannot have it both ways. If he is right, he must have known since 1959 that there was a commitment. Yet, knowing there was a commitment, as he now says based on my remarks in the house at that time, he and those associated with him did everything they could in order to prevent Canada having nuclear weapons. They did not find this out in 1963. They did not find it when the light shone on the Prime Minister of today at Scarborough in January. They knew it from the time I spoke, they say, on February 20, 1959. I mentioned our stand at that time. I shall not quote it because it has already been quoted. I followed that stand throughout the years under repeated questioning from the opposition of that period. On January 18, 1960, I said:

> Canada's stand might be summarized in this way: eventually Canadian forces may require nuclear weapons if those forces are to be kept effective. We cannot change the principle of United States ownership—they have taken a firm stand in this regard—but there shall be Canadian control of use in Canada. I want to make it absolutely clear that nuclear weapons will not be used by Canadian forces except as the Canadian government may decide and in the manner approved by the Canadian government. Canada retains its full freedom of choice and decision.

Then, later on, on February 9 of the same year I said:

> I might add that if and when Canada does acquire nuclear weapons it would be in accordance with her own national policies and with our obligations under the North Atlantic treaty.

Then on July 4, 1960—I do not want to fill the record up except to show in this way the consistency of our stand—I said:

> On the one hand we are desirous of attaining disarmament. On the other hand we have to discharge our responsibility of ensuring to the maximum degree the security of the Canadian people. In so far as the discussions are concerned the responsibility must necessarily be that of the Minister of National Defence whose officers meet with their corresponding numbers in the United States and place before them the stand taken by the Canadian government, which is of the essence of any possible agreement in the future, namely, that if and when—

Over and over again I have said this.

> —the Canadian government should decide to equip its forces with nuclear weapons those weapons will be under Canadian control and would be used in Canada only as a result of a decision by the Canadian government.

Later on, on a number of occasions, the same question was raised. It was raised on November 30, 1960, when my answer was:

I simply say that the position of Canada is completely unchanged. We have made it perfectly clear that when and if nuclear weapons are acquired we shall not accept them unless we have joint control and there has been no suggestion at any time of any watering down or diminution of that stand.

I come, now, to September 20, 1961, when I said this:

As was made clear during the discussion of the defence estimate we have also equipment which will enable the use of defensive nuclear weapons should the government decide that these are required in the interest of national security... The government does not wish any decision it may take in this matter to impede in any way the substantial progress which may be possible in disarmament or limitation on the spread of nuclear weapons to the independent control of countries not already having them.

Again, on February 20, 1962, I said:

But should it be decided in the light of Canadian armament needs and defence responsibilities that nuclear weapons are to be had at any time, joint control is of the essence of the stand we have taken.

That has been our stand throughout. In 1963, on January 25, I said:

We will negotiate with the United States so that, as I said earlier, in case of need nuclear warheads will be made readily available.

Never at any time was an undertaking to accept nuclear weapons made by the government of Canada, and this was made clear by the former secretary of state for external affairs.

The argument advanced is this: if you have Bomarcs you must have nuclear warheads. In January the state department released that document which, in the light of events, must now be recognized by those who produced it as constituting a most improper course of action. In that release it was stated that the Bomarc B was not designed to carry any conventional warhead. Mr. Speaker, apparently the Pentagon does not let the state department know all of the facts, because what is stated there in that document is in conflict with the 1961 edition of the United States Air Force ROTC Air University Training Manual which states on page 397 that the Bomarc can carry either a conventional high explosive or a nuclear warhead. While the department of state said the Bomarc B cannot carry a non-nuclear warhead, certain information offered by the headquarters of the North American air defence command in the spring of 1961 when putting out the NORAD story for the benefit of the press is most significant. This is what it said at page 12:

Among the surface to air missiles used by NORAD, the Bomarc has the longest reach. The initial model, which became operational in 1959, can reach out 200 miles to strike down attacking aircraft. The advanced version Bomarc B has a range of more than 400 miles and is slated for use in Canada as well as the U.S. Bomarcs can be equipped with either high-explosive or nuclear warheads.

That was the view of NORAD in the spring of 1961 of Bomarc B.

In September 1961 John Laurence Kuter, commander in chief of the North American air defence command, mentioned the Bomarc in a speech at the Canadian international air show in Toronto. He said that it was a supersonic missile which could operate over a range of 400 miles from a very low altitude up to 70,000 feet. This is with regard to Bomarc B. He said it could be launched within two minutes of the alerting time and could be armed with either a conventional or a nuclear warhead.

Where is the implied agreement to accept nuclear warheads? Our position consistently was to negotiate and endeavour to arrive at an agreement that would preserve the sovereignty of Canada, so that in the event that the international situation became serious or critical we would be in a position to utilize nuclear weapons for the defence of North America.

What has been the attitude of the members of this government? They have made a complete circle. They took one view one year, and then suddenly that change of heart. We know now why there was a change of heart. Again the Minister of National Defence, speaking in Vancouver, said that the present Prime Minister had met with some armed forces representatives in the United States and that they had convinced him or had led him to believe that something would have to be done. I will return to that at an appropriate time.

Now I intend to refer to the Prime Minister and to follow him in what I have referred to as his gyrations while occupying the position of leader of the opposition. In August of 1958 he said, according to *Hansard*, that the Bomarc should be equipped with a nuclear warhead. That was his stand in August of 1958. In July 1959 he supported the arming of Canadian forces in Europe with tactical nuclear weapons. He stated that the minister of national defence would know that tactical nuclear weapons had now been reduced to the point where they could be used by small formations against purely military targets; that they were conventional in the sense that they were ordinary type weapons with nuclear ammunition. Then he went on to say that if these weapons were not used, NATO forces in Europe would be facing armies which had them and would not hesitate to use them. So the stand taken in 1958 was that NATO forces should be so equipped.

However, for some reason that I have never been able to understand, on January 18, 1960 he said—I am merely summarizing his words

—that he had some reservations. He said that we should not accept what are sometimes called baby nuclear bombs for R.C.A.F. planes. He was referring to the strike reconnaissance role of the CF-104. In August 1960, again referring to the Bomarc, he said that he believed that in getting out of this position which he considered to be an ineffective one for Canada—meaning the Bomarc system—we would be rejecting the use by us of any form of nuclear weapons for what is mistakenly called the defence of our territory.

Mr. Speaker, why these changes? Why these sinuous turnings? Why these alterations in viewpoint? Then on that same day he confessed that his views had changed, compared with those he had outlined in July 1959. He summarized his position by saying that in addition to being against nuclear warheads for the Bomarc he did not support nuclear warheads for our forces in Europe. And he talks to us now about days of decisiveness with a strong, bold, imaginative government. Is this to be an example of what decisiveness means? He went on to say that Canada should categorically reject the proposition that our NATO forces should be equipped with nuclear weapons of any kind. When I listened to him today wrapping himself in the garments of perfection, he said to those on my left that they were dangerous in their view of NATO; that if the NATO forces of Canada did not have nuclear arms—which was what he advocated in 1959—that would be the end of NATO.

A year and a half went by. On January 9, 1961 the national Liberal rally took place in Ottawa. I made an error today when I asked the Prime Minister whether he had made a statement in the House of Commons on January 9 of that year regarding Canada becoming a nuclear power. That statement was not made in the House of Commons, it was made in Ottawa at that rally. He was even more emphatic then because he said that we should not acquire or use nuclear weapons under any kind of national or joint control.

Mr. Speaker, if anyone has got lost in trying to follow this course I can understand it. The Prime Minister said—and here I speak of the New Democratic party, which needs no defence on my part and is receiving none—that their view would destroy NATO. I ask him, when did this revelation come to him? That was not his view in 1961. Then he went on to say, and I can just hear him as he put all the force at his command into it, that a policy of strength and independence and of co-operation between allies does not require Canada herself to become a nuclear power. That is when he defined a nuclear power—

Some hon. Members: Oh, oh.

Mr. Diefenbaker: This is not the revised version of the 21st of May, 1963, the definition that what he meant by a nuclear power was that Canada would be in that category if she accepted any nuclear weapons either under national or joint control. He said that the policy does not require Canada to become a nuclear power and went on to say:

> Nor does it require Canada to continue her present role in NORAD which, among other things, would mean that Canadian forces would use nuclear weapons under single or dual control.

This is what he advocates today, dual control, and he spoke today as if this had always been his opinion. At this meeting in January, 1961, there was a resolution adopted in these terms:

> A new Liberal government should not acquire, manufacture or use such weapons—

—nuclear weapons—

> —under separate Canadian control or under joint U.S.-Canadian control.

He speaks of decisiveness. He prates of the necessity to be direct and definitive. I am sure the house and the country would like to know when the light finally came to rest upon him and made him recognize that the forceful arguments he was making in this house in 1959, 1960 and 1961 had no efficacy. Then he said this. The resolution said it; he did not:

> Under a new Liberal government Canada will withdraw from NORAD in so far as its present interceptor role is concerned.

What changed the thinking of the Prime Minister in the intervening days? It will be interesting to know, because today he would have the house and the country believe that he has always been completely dedicated, as he said, to NORAD and to joint defence.

> —Canada will withdraw from NORAD in so far as its present interceptor role is concerned. Liberal policy would, however, provide for an appropriate Canadian contribution to continental defence in co-operation with the U.S.A. The Canadian role in such defence should be that of detection, identification and warning.

An hon. Member: Bird watching.

Mr. Diefenbaker: Well, the falcon became the bird watcher. We ought to know, Mr. Speaker, the reason for these changes. That is what parliament wants to speak about. We want to know what the reasons were for these political peregrinations in thinking. Then the resolution went on to state:

> We would stop using our defence resources on interceptor fighter squadrons or on Bomarc missiles. There is no reason why Canada should participate in a role inappropriate to her circumstances.

Sir, I am sure the house realizes the need of having this problem discussed and determined by parliament. How do we know that the views of today may not be discarded tomorrow? We want to find out. Speaking to the annual banquet of the Ontario secondary school teachers federation in Toronto on January 21, 1961, the Prime Minister of today outlined Liberal defence policy, and he said this:

It is nonsense to say that nuclear weapons are necessary for this purpose.

The purpose being co-operation in defence with the United States.

So let's not get into this field at all.

You know, Mr. Speaker, he often speaks of baseball. He was certainly in the outfield then.

The role of surveillance for the R.C.A.F. in continental defence was one not only of great importance, but would also involve close co-operation with the United States. It would not, however, require us to use nuclear weapons in Bomarcs or in Canadian aircraft under national or even joint control.

He went on to say:

This is not, in my view, necessary or desirable for Canada as our part of continental air defences.

He knew then, Mr. Speaker, what the alleged undertaking was because he told us today that it was made by me in 1959. I ask him: Knowing that there was an undertaking, as he says today there was, why was he imploring us to evade our responsibility?

I come now to 1962. Prior to the general election of 1962 the Liberal party issued a pamphlet entitled, "The Liberal Program". Dealing with defence the pamphlet stated:

The defence policy of a new Liberal government will not require Canada to become a nuclear power by the manufacture, acquisition or use of nuclear weapons under Canadian or American control.

An hon. Member: 1962.

Mr. Diefenbaker: 1962, Mr. Speaker. He reads us a lecture today on the responsibilities of government. Yet as late as 1962, prior to the election of that year, knowing of the commitment, because he says the commitment was made by me in 1959 in a speech in the House of Commons, he and the Liberal party had decided that they would not require Canada to become a nuclear power by the use of nuclear weapons under Canadian or American control.

Mr. Monteith: How two-faced can you be?

An hon. Member: Where was Judy's truth squad then?

Miss LaMarsh: It is here now.

Mr. Pearson: While you are over there.

Mr. Woolliams: Where was the truth squad then?

Mr. Diefenbaker: I enjoy audience participation but I really do not need any help. All I have to be able to do is read what was said. This establishes once and for all, first, that they have not been able to find any undertaking between Canada and the United States in this regard.

Mr. Pearson: Why did you lose half your cabinet?

Mr. Diefenbaker: All they have been able to do is to quote from a statement made in 1959 which went no farther than subsequent statements, namely, that we would be in a position, if an agreement could be secured that would preserve Canadian sovereignty, to have nuclear weapons available.

Miss LaMarsh: Where is the member for Calgary North (Mr. Harkness)?

Mr. Diefenbaker: Then, I want to refer to the Minister of National Defence (Mr. Hellyer), and I dislike doing so in his absence, which is quite understandable. I was going to wait until a later opportunity presented itself. I have only been able to gather together a few of these items. If I had had more time, Mr. Speaker, this would have been a record of devious hypocrisy on the part of the Liberal party dating back to 1959.

I refer to the Minister of National Defence without any observations on what he said. I find his words on page 7567 of *Hansard* for August 4, 1960. If I may summarize these words before I quote them, he said no nuclear weapons for use on Canadian soil or in Canadian air space; scrap the plans to acquire the Starfighter for NATO. These were the remarks of the man who today is the Minister of National Defence. I will give you an explanation of the tremendous transformation and metamorphosis that took place in the thinking of hon. gentlemen opposite, and the explanation given by the Minister of National Defence. I quote now from *Hansard* where the present minister is dealing with North American defence.

Because of our belief that from the mid-sixties on there will be no possibility of effective air defence of the North American continent we can see no reason for continuing with the installation of equipment designed exclusively for that purpose. It is our contention, therefore, that the government should discontinue at once its participation in the SAGE-Bomarc system, and not proceed with the installation of radar gap fillers. These are only useful against attack by manned bombers. We contend that the possibility of attack during the next two or three years is not very great, and this is the only period during which these installations would be worth while. Interestingly enough, this would be the period during which they would be still under construction, not yet operational. By the time they are in place they will be obsolete, because by that time an all-out offence would involve the overwhelming use of missiles against which there is no defence.

Mind you, these are the words of one who has given thought and deep consideration to this problem. He said so. I continue to quote:

> Elimination of the SAGE-Bomarc system in Canada would eliminate the necessity for Canada storing or using atomic warheads on Canadian territory. The supersonic interceptors, which we would be acquiring under this arrangement, could be armed with conventional guided missiles such as the Sidewinder. There would then be no immediate question of extending control of atomic weapons to another power. I know that this is a matter of great concern, not only to us on this side of the house but to the government, the Prime Minister and to others.

There, in those words, he answers unequivocally the argument so often advanced that the interceptor that we secured would require to be armed with nuclear weapons. He said nothing of the kind, but that we need a conventional guided missile such as the Sidewinder.

Then, he dealt with NATO and I refer to page 7568 of *Hansard* of that date. I quote:

> I come now to NATO. At the time the NATO agreement was signed the objective was to build up in Europe a shield consisting of a substantial number of divisions armed with conventional weapons. Subsequently, however, at a time when the United States still had overwhelming superiority in atomic capability the NATO forces were reorganized along the lines dictated or at least rationalized by the theory of massive retaliation.

Then, later on the same page we find these words:

> With respect to the air division, we regret the decision of the government to re-equip on the basis of the strike attack role. Canada has not, in the past, contributed to the offensive potential in any way, and especially any nuclear potential. We feel that it is unnecessary and unwise to change this basic policy. Re-equipping the air division in this way creates a number of problems.

Then, he takes a strong and definite stand which remained the Liberal party's stand for over two years.

I should like also to refer, in order to answer the allegation of anti-Americanism so generously spread around, to what the Prime Minister said:

> It is not a defence, and in the nature of things I submit it cannot be a defence of our territory in the traditional sense of the word, and it will soon be no defence of anything.

He was dealing with the continental defence of North America by the Bomarc and interceptor aircraft.

> After all, this kind of defence is primarily a United States responsibility. It is the defence of the deterrent. We know how important that is; but it is a deterrent which is under the sole control of the United States of America.

How can one follow, Mr. Speaker, a mind that indulges in convolutions such as these in an endeavour to ascribe to us an attitude of vacillation, uncertainty and indecisiveness. Listen to these words:

> It seems to me, Mr. Chairman, that our experience in the past three years has shown that in attempting to participate in continental defence in the way we have, we are becoming nothing more than just the last two knots on the Bomarc tail of the defence kite.

I can understand, Mr. Speaker, the silence on the government benches that greets revelations such as these. What a nerve for the Prime Minister to stand up and endeavour to point the finger of scorn at us. All through the piece there are these things. I think I have covered enough, even on this occasion, to indicate that the arguments of today are either without any basis in fact or that that change in thinking which occurred on January 12 could only have come about as a result of something having taken place across the line. No one knows what took place, although the Minister of National Defence did raise the curtain just a bit.

Here is what the Prime Minister said in November, 1961:

> If we join the nuclear club,—

And that is again having nuclear weapons in Canada under joint control or separate control.

> —Canada will be throwing away a great political asset, the asset of being a leader for world peace, for a very dubious mechanism. Its position at the United Nations would be ruined in the fight to stop nuclear arms. That's the next step.

Difficult as it is, Mr. Speaker, I ask you to follow this. Why was there a change, why the alterations? On March 30, 1962 the Toronto *Star* had this report:

> U.S. A-Base here not needed—Mike. Opposition Leader Pearson said yesterday he could see nothing in present circumstances to justify establishment of U.S. controlled nuclear bases on Canadian soil.

I ask the Prime Minister to tell the house and the country whether, during his discussions with the President of the United States did he or did he not agree to give favourable consideration for the United States of America to store nuclear weapons on American bases in Canada? There are two major United States bases within Canada, and I know the house and the country would like to know what has been considered in this regard.

When I occupied the responsible position of the Prime Minister, in this regard the attitude we took was that at all times Canada should maintain her sovereignty, always willing to co-operate, to do our part in collective defence, always maintaining that we within our country, and I emphasize those words, shall determine our course.

When did the resistance of the Liberal party get worn down? They resisted any suggestion of nuclear atomic weapons in Canada. Again I have to call on the Minister of

National Defence as a witness. On September 12, 1961, as reported at page 8230 of *Hansard* he said:

> Now we are being prepared for the introduction of atomic arms into Canada.

I thought there had been a commitment on the basis of what I said in 1959, but not so according to the minister of defence. He added:

> The campaign to wear down the resistance in this house and in the country has begun. Speeches are being made by the Prime Minister and by the Minister of National Defence which lead us to believe that the introduction of these weapons is inevitable. The commander in chief of NORAD was brought to Toronto to make a speech which would frighten the Canadian people into submission.

Into submission to whom?

> At this point, Mr. Chairman, I think I should raise the question of the propriety of the Canadian government asking General Kuter to come and make a speech designed to do the government's political chores.

I am not going to make a reference to some other visits that have taken place. The present minister added:

> I think if the government has any policy in which it firmly believes, it should state the case and accept the responsibility without trying to palm it off on military officers.

We never tried to palm anything out on military officers, and we did not want to be palmed out either.

Then, as recorded at page 8231 of *Hansard* for September 12, 1961 the present minister said:

> Under these circumstances our Bomarc, even if it had any utility whatsoever, and our defence mechanisms other than warning and reconnaissance do not in fact protect the deterrent. They may do other things, but they do not accomplish this end. For this reason we continue to believe that it is not worth while to put Canada into the atomic club.

That is what they meant by the atomic club, and they spoke against it. Then he said this:

> —when the advantage of having atomic weapons on Canadian soil is so negligible. We reserve the right to reassess this position if at any time in the future the west should be successful in developing a really effective anti-missile missile.

You will pardon me, Mr. Speaker, if I refer again to the minister of defence. What did he say about the Bomarc? On October 31, 1960, speaking at Saint John he was reported in the Saint John *Telegraph-Journal* as follows:

> The outspoken M.P. for Toronto-Trinity said, "the Bomarc missile is about the most useless expense of money you can devise. The government might as well collect taxes and dump the money into Northumberland strait."

Mr. Speaker, the instrument that would have made Canada the last few knots on the tail—the value of it—was not worth dumping into the Northumberland strait, according to the Minister of National Defence, but now it is to be equipped with nuclear warheads. Oh, how they ridiculed us. I ask why the change? I suppose we will never know, but the Minister of National Defence gives quite a viewpoint on the subject. When he was asked in Vancouver how this great change, this vast metamorphosis, came about, he said:

> Lester Pearson advocated nuclear weapons for Canada because of new and vital information he received during the Cuban crisis. Paul Hellyer refused to say what the information was but he said Mr. Pearson realized he had to move immediately to save Canada's image within NATO and the United Nations.

What about the image of Canada in 1959 and 1960 and 1961, when the present Prime Minister, who had received the highest honour that could come to any Canadian internationally, the Nobel prize, who had occupied these high international positions, from day to day was castigating the government for daring to consider entering into an agreement that would have made possible the availability of nuclear weapons. The Vancouver report continues:

> Hellyer said the Liberal leader was informed by private U.S. military and NATO sources that Canada's integrity had dropped to an all-time low.

Where would Canada's integrity have been if we had followed the advice of the opposition in 1959, 1960 and 1961?

> "Washington was boiling," Hellyer said.

You can see the effervescence rise. "Washington was boiling"—boiling for what reason? Was it boiling because we dared to assert that in co-operation our sovereignty should be maintained. Referring to the Prime Minister the report continued:

> He was continually asked "What's wrong with Canada?" added Hellyer. Because of the grave situation Mr. Pearson felt Canada would have to take a positive stand in order to save her position of prestige.

I make no observation on that. Now, Mr. Speaker, I also want to read what the Minister of National Defence said. I have here an article written in the Toronto *Telegram* of September 20. I tell you, Mr. Speaker, that when they start turning author and writing articles, that is when difficulties arise. I point that out for the benefit of the Minister of Finance (Mr. Gordon).

Mr. Woolliams: Who is reading his paper.

An hon. Member: Preparing his budget.

Mr. Diefenbaker: This article is headed, "The Bomarc debate". It is entitled "We shouldn't delude ourselves", by Paul Hellyer. I agree with that. This is what he said:

> Canada should not adopt defensive atomic weapons at this time, because none exist which provide any real protection.

What about the future? No one can foresee the future with clarity, but the position at present is pretty obvious in perspective.

October, November, December, January—less than four months later the perspective became clarified. Then he said:

After the Russians succeeded in building an atomic bomb they began—so it seemed at least—to build squadrons of long-range bombers capable of reaching targets on the North American continent. Realizing our vulnerability, we began a crash program of radar lines and interceptor construction.

The purpose of these—and it was never considered to be anything else by the military—was to provide protection for the U.S. strategic air command.

When I said that these things were not for the defence of Canada, they said I was wrong. But again I quote the Minister of National Defence in support of the position we took. Mr. Speaker, I was reading the approval of the Minister of National Defence. I know he has been kept by most important duties and I appreciate him now being in the house, because the vote is approaching. However, I was reading from an article written by him which should qualify him for membership in any authors' association for fiction. He also said this:

Any bombers shot down before reaching their targets would leave more of SAC intact and give more pilots a chance to return to their bases, from which they would deliver their retaliatory blow.

It was at this time—the early 1950's—that the concept of the Bomarc was accepted. A line of pilotless aircraft (Bomarc missiles) was planned to extend from coast to coast to provide increased protection for the atomic deterrent—the striking power of the United States air force.

The concept made some sense at the outset. It has long since been overtaken by time and technological development.

Well, Mr. Speaker, these were the viewpoints of last September, and now they are asking us to bring about this new plan whereby, as enunciated by the Prime Minister at Scarborough, they will bring over the atomic warheads, then they will place them on the Bomarcs, and then they will negotiate with the United States, to provide a dissolution after marriage. Why, Mr. Speaker, what nonsense is this?

Then the Minister of National Defence said, in this enlightening article:

October 1957 should be remembered as a turning point in modern military science. When the Russians put their first sputnik into orbit, and proved that they could easily build missiles capable of striking north Amercia, the missile age dramatically began. The subsequent five years have produced miracles in research and development.

Then he said:

Shorter range missiles can be fired from ships or submarines at sea. Air to ground missiles, otherwise known as stand-off bombs, can be carried under the wings of giant aircraft.

Against these three kinds of missiles there is, at the present time, no defence.

Now sir, I ask, what brought about the change of opinion? All I have tried to do this evening is simply review what has taken place. I have a great deal more material, equally effective, or revealing, I should say, that I will use on another occasion. No one yet knows the reason why on January 12 the Prime Minister announced a new policy. Why, it came with such revolting suddenness that the Manitoba Liberal association in session had just decided that they would not have nuclear weapons, and then they turned a complete somersault. They could not believe it. Possibly it will not be very long before we know some of the things that took place, some of the words of deep approval that were given to the Prime Minister for giving this remarkable calisthenic performance.

Sir, what is the policy today? Round and round it goes; what it is, nobody knows. Again I ask, what is it today? Well, on January 25 the Prime Minister stated in the House of Commons that they would accept a nuclear role at the moment. He intimated that this role would be changed if a Liberal government was in power. Cannot we just have some information. Was it arranged with the president at the siesta in Hyannis Port?

Mr. Pearson: Or Nassau?

Mr. Diefenbaker: Was it arranged that if we would accept nuclear weapons, or if we would enter into an agreement such as was outlined today, there would then be a renegotiation so that Canada could renegotiate herself out of that agreement? Surely we are entitled to know. It is very obvious that we are not going to have the opportunity. Today the Secretary of State (Mr. Pickersgill), who is one of our leading authorities on constitutional development by appointment, said this: "You have the opportunity now to discuss it. We have not denied you that opportunity. One of the opposition parties has moved a subamendment, and we are going to let you discuss it". In effect, that is what he said. He said: "We have not denied you the right. Here you are; you can discuss it". That is not enough, Mr. Speaker. We have to know the reason for the change that has taken place in the attitude of this government over the stand which they took for three long years. Was that a conscientious stand which they took, or was it a political stand? Was the change, the migration from one side to the other in January, based on a consideration of the needs of Canadian security without regard to political considerations or was it determined as a result of representations made to the Prime Minister (Mr. Pearson) or to the minister of defence (Mr. Hellyer) by any one else at that time? These are questions whose answers we have a right to know.

I found it difficult to understand why the leader of the New Democratic party was unable to support the amendment which I moved. I felt it was one which deserved support, but the determination is always made on the basis of what is best for Canada and therefore I can make no criticism of that stand. I do not want to do anything which is detrimental to Canada but I am not going to be denied the right of having this important matter discussed and determined in parliament. The subject of nuclear arms is one upon which one's opinion changes or, at least, is affected by emotional considerations; but I cannot, in discharge of my responsibilities as Leader of the Opposition, allow this government to suggest to the opposition that because an opportunity has now come when the House of Commons may discuss this matter, that that is sufficient. Nothing of the kind. We want to know more. Whatever our views may be as to the need or the desirability of having the best defence which can be provided, parliament must have the right of decision. It will never have it. That was clear today.

I listened to the Prime Minister as he went over the field in a very able speech. How it would have appealed to me, that speech, if I had not known the facts as revealed by those quotations and many others which I could have placed before the house. We want to know. We want the facts. We cannot place reliance upon members of a government who in three years have held such a variety of opinions. What will the policy be? I think there were eight transitions between January 12 and the end of the campaign. Which of them represents the viewpoint of the members of the government today? We want the opportunity to be in committee—not the defence committee, but a committee of the House of Commons, here, to have this question answered. If hon. gentlemen opposite will not provide that, then let us have set aside a day on the basis of a resolution to be moved by the government in which frankly and fully the whole situation will be placed before parliament and the country. I cannot agree to less. At the moment I do not ask for more.

Yesterday the Prime Minister spoke of the Canadian people having decided all this. Well, 42 per cent, I think it was, voted in support of the government—43 per cent at the outside. Some 57 or 58 per cent voted otherwise. He said today this subject was one of the major issues. There has been no decision or mandate from the Canadian people in this regard. But whether with or without a mandate, members of parliament have their responsibility. All of us are prepared to have placed before us, not in panegyric form but in factual summary and analysis, the present situation. You will remember, sir, how those who now support this government poured their scorn on me when I said: Let us wait until the NATO meeting at which the whole question of defence will receive material consideration. They said: Nothing of the kind. Tomorrow and the next day the nations of NATO will determine one of the greatest questions facing the western world, namely, whether or not there is to be set up a multinational nuclear force and the terms upon which this would be done. Tremendous changes in defence thinking have taken place in the last few months. Britain had an agreement with the United States to have the Skybolt. That was changed as a result of the attitude taken by the United States, although Britain had depended upon it. Italy and Turkey had Jupiter missile bases upon which they depended. They are removed because of the changing concepts of defence. The new plan is, first, submarines and ships with Polaris missiles to be launched from them. The whole question of defence, as the minister of defence said so well last September, is changing and changeable. Therefore, I say that on the basis of the fact that we have had an undertaking, a statement, from the mover of this amendment that the problem is that parliament has not been consulted, believing that, as a result, it could be taken that these words are incorporated, namely "without consulting parliament", and that then the resolution would read in our interpretation—

—we regret that Your Excellency's advisers have indicated their intention without consulting parliament of acquiring nuclear arms for Canadian forces—

—we intend to support the subamendment.

(Translation):

Mr. Gerard Girouard (Labelle): Mr. Speaker, I wish to thank the house for giving a member of each party the opportunity to put forward his views on what is going on in this chamber.

I noticed that the Leader of the Opposition (Mr. Diefenbaker) has tried to limit my loquaciousness by forcing me to reduce my speech to some four minutes.

I shall therefore gloss over the congratulations which I intended to offer and the suggestions which I was hoping to put forward in this house in the name of the voters of the riding of Labelle who, as you no doubt know, have always been proud of the fact that they elected Henri Bourassa in 1900.

The other day, as I was listening to the junior member for Lotbiniere (Mr. Choquette), I was wondering whether he would show as much courage as Henri Bourassa who, while still young, left the ranks of the Liberal party to sit as an independent member.

Division

Mr. Speaker, the Liberal party platform has been quite interesting for the voters during the last election campaign except in one respect, where there is a lot of discussion, and, this evening, it is incumbent upon me to define the policy of my party on nuclear arms.

I believe that the Liberal party has not gained by the last election. Everybody noticed that western Canada, not altogether reluctant to accept nuclear arms, has nevertheless supported a party which was against accepting them, while the province of Quebec, opposed to nuclear arms, has nevertheless been generous towards the party in power.

But I must admit that a few days only after the election, I shuddered when I noticed the haste with which the present Prime Minister (Mr. Pearson) and the minister of defence (Mr. Hellyer) undertook to acquire nuclear arms. It came about so fast that, today, the members in this house are wondering whether they shall grant their support to a government which has made commitments so hurriedly without even consulting the house.

As far as I am concerned, I must say in my capacity as representative of La Macaza, where a Bomarc missile base is located—quite a significant fact—that even the workers of La Macaza, who helped my election, gave me the definite responsibility of opposing all acquisition of nuclear arms.

(Text):

Mr. Speaker: Order. It being 9.45 o'clock p.m. it is my duty pursuant to section 3 of standing order 38 to interrupt these proceedings and forthwith put the question on any subamendment now before the house.

The house divided on the amendment to the amendment (Mr. Douglas) which was negatived on the following division:

YEAS

Messrs:

Alkenbrack
Balcer
Baldwin
Barnett
Beaule
Belanger
Bell
Bigg
Boutin
Brewin
Cadieu (Meadow-Lake)
Cameron (Nanaimo-Cowichan-The Islands)
Cantelon
Caouette
Casselman, Mrs.
Chatterton
Churchill
Clancy
Coates
Cooper
Côté (Chicoutimi)
Crouse
Danforth
Diefenbaker
Dinsdale
Dionne
Doucett
Douglas
Enns
Fairweather
Fane
Fisher
Fleming (Okanagan-Revelstoke)
Flemming (Victoria-Carleton)
Forbes
Frenette
Gauthier
Girouard
Grafftey
Gregoire
Gundlock
Hales
Hamilton
Herridge
Horner (Acadia)
Howe (Hamilton South)
Howe (Wellington-Huron)
Irvine
Jorgenson
Kennedy
Kindt
Knowles
Korchinski
Lamb
Lambert
Langlois
Laprise
Latulippe
Lessard (Lake St. John)
Loney
MacEwan
MacInnes
MacLean (Queens)
MacRae
McBain
McCutcheon
Madill
Marcoux
Martin (Timmins)
Martineau
Mather
Millar
Monteith
Moore
Muir (Cape Breton North and Victoria)
Muir (Lisgar)
Nesbitt
Noble
Nowlan
Nugent
Orlikow
Ormiston
Ouellet
Pascoe
Paul
Peters
Pigeon
Plourde
Prittie
Pugh
Rapp
Ricard
Rondeau
Rynard
Scott
Simpson
Skoreyko
Smallwood
Smith
Southam
Starr
Stefanson
Stenson
Thomas
Vincent
Watson (Assiniboia)
Webb
Webster
Weichel
Willoughby
Winch
Winkler
Woolliams—113.

NAYS

Messrs:

Addison
Armstrong
Asselin (Notre Dame de Grace)
Asselin (Richmond-Wolfe)
Badanai
Basford
Batten
Bechard
Beer
Benidickson
Benson
Berger
Blouin
Boulanger
Brown
Cadieux (Terrebonne)
Cameron (High Park)
Cardin
Caron
Carter
Cashin
Chevrier
Chretien
Côté (Longueuil)
Cowan
Crossman
Cyr
Davis
Deachman
Denis
Deschatelets
Drury
Dube
Dupuis
Emard
Ethier
Favreau
Forest
Forgie
Foy
Francis
Garland
Gelber
Gendron
Godin
Gordon
Granger
Gray
Greene
Groos
Guay
Habel
Haidasz
Hahn
Harkness
Harley
Hays
Hellyer
Honey
Jewett, Miss
Kelly
Klein
Konantz, Mrs.
Lachance
Laing
LaMarsh, Miss
Lamontagne
Lamoureux
Laniel
Leboe

Leduc	Pennell
Lessard (St. Henry)	Pepin
Lloyd	Pickersgill
Loiselle	Pilon
Macaluso	Regan
Macdonald	Richard
MacEachen	Rideout
Mackasey	Rinfret
MacNaught	Robichaud
McIlraith	Rochon
McIntosh	Rock
McLean (Charlotte)	Rouleau
McMillan	Ryan
McNulty	Sauve
McWilliam	Stewart
Martin (Essex East)	Tardif
Matheson	Teillet
Matte	Temple
Mitchell	Thompson
Moreau	Tremblay
Mullally	Tucker
Munro	Turner
Nicholson	Wahn
O'Keefe	Walker
Olson	Watson (Chateauguay-Huntingdon-Laprairie)
Otto	Whelan—124.
Patterson	
Pearson	

Mr. Speaker: I declare the amendment to the amendment lost.

Mr. Nixon: Mr. Speaker, I was paired with the hon. member for Huron (Mr. Cardiff). Had I voted I would have voted against the amendment to the amendment.

Mr. More (Regina City): Mr. Speaker, I was paired with the hon. member for Norfolk (Mr. Roxburgh). Had I voted I would have voted for the amendment.

Mr. Byrne: Mr. Speaker, I was paired with the hon. member for Rosthern (Mr. Nasserden). Had I voted I would have voted against the amendment.

It being seventeen minutes after ten o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Wednesday, May 22, 1963

The house met at 2.30 p.m.

EXTERNAL AFFAIRS

REPORTED COMMITMENT OF CANADIAN AIR DIVISION TO NATO NUCLEAR COMMAND

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister whether the Canadian Press dispatch is correct when it says, "Canada today committed its eight-squadron air division in Europe to a NATO nuclear command." The article points out that speeches were made by the Secretary of State for External Affairs (Mr. Martin) and the Minister of National Defence (Mr. Hellyer), that the subject was the projected interallied nuclear force, and the commitment of the Canadian air units to NATO was agreed to.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, as the interallied nuclear force which is under consideration by NATO has not yet been established, the question of a commitment of the Canadian squadron to that force does not yet arise. This is a matter under discussion at the council meeting which is now going on; it is one matter on the agenda. The Canadian policy in regard to this particular matter will be known when the council meeting finishes.

Mr. Diefenbaker: Mr. Speaker, whether or not there is an actual commitment until the final decision has been made, did the Canadian representatives undertake that they would commit Canadian forces overseas to this body in the event that such a body was set up?

Mr. Pearson: Mr. Speaker, the right hon. gentleman knows that it would be quite inappropriate to make public the instructions of the Canadian delegation to the council meeting of NATO while that council meeting is going on. That is a procedure which he followed himself in respect of previous council meetings of NATO when nuclear and other matters were under consideration.

Mr. Diefenbaker: Mr. Speaker, that latter statement is entirely incorrect.

Some hon. Members: Order.

Mr. Diefenbaker: I am not going to have the Prime Minister make such a statement about what stand we took, when it is incorrect. Does he suggest that the people of Canada should be bound by the stand taken by this government without disclosing it to parliament? That is all I want to know.

Mr. Pearson: The right hon. gentleman, when he was head of the government, already committed those eight squadrons to a particular role in NATO and informed the House of Commons about it when he returned from the NATO council.

Mr. Diefenbaker: Not at all.

RUSSIAN PROPOSAL THAT MEDITERRANEAN BE MADE NUCLEAR-FREE ZONE

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): I have a question for the Secretary of State for External Affairs. Since, unfortunately, he is not in the house, I wonder if I might direct it to the Prime Minister.

In view of the Soviet proposal yesterday that the Mediterranean area be declared a zone free of nuclear weapons, would the minister inform the house what attitude the Canadian delegation to the NATO conference will adopt toward this proposal, and whether it will be examined in the light of the Eden plan, the Rapacki plan and other proposals aimed at mutual disengagement and disarmament in central Europe?

Right Hon. L. B. Pearson (Prime Minister): This, as the hon. member will realize, is a very important proposal indeed, if it turns out to be in the terms which have been made public. It will undoubtedly have to receive careful consideration not only by this government but by all the other members of NATO. In that consideration it will have to be related to the earlier proposals for disengagement in other areas to which the hon. member referred. It will also be interesting to find out whether the Mediterranean area to which the Soviet proposal refers includes, for instance, the Black sea. Until all these matters are considered, and until the question has been discussed with our friends in NATO, perhaps at the current meeting, it would be premature for me to make a statement.

Mr. Douglas: Could I ask the Prime Minister whether he would make a statement as early as possible when some decision has been reached?

Inquiries of the Ministry

Mr. Pearson: Yes, I shall be glad to make a statement on this matter at an appropriate moment.

LABOUR CONDITIONS

GREAT LAKES—PROGRESS TOWARD SETTLEMENT OF DISPUTE

On the orders of the day:

Hon. Michael Starr (Ontario): I should like to ask the Minister of Labour whether during his talks in Washington any decision was reached to end the strife on the great lakes.

Hon. A. J. MacEachen (Minister of Labour): Yesterday the United States secretary of labour, Mr. Wirtz, and I met with Mr. George Meany, president of the A.F. of L.-C.I.O. and Mr. Claude Jodoin of the Canadian Labour Congress. This meeting was held following arrangements made by the President of the United States and the Prime Minister at Hyannis Port, at which meeting they asserted the principle that ships and the men who sail them should be free to go about their lawful business without impediment or harassment.

We began with this premise yesterday, and all I can tell the hon. gentleman is that we had a friendly and constructive preliminary meeting. I was satisfied that sufficient momentum had developed at the meeting yesterday in the direction of a settlement to justify further conversations. It is hoped these further conversations will be held either in connection with the report of the Norris commission or at another time which would be opportune. I am satisfied we are moving in the right direction.

BRITISH COLUMBIA—INQUIRY AS TO REPORT OF CONCILIATION BOARD

On the orders of the day:

Mr. Barry Mather (New Westminster): I have a question for the Minister of Labour. Has the hon. gentleman any idea how much longer it will be before the federal conciliation board, which for many months has been investigating the dispute between the shipping federation of British Columbia and the international union of longshoremen and warehousemen will finally make its report on this matter?

Hon. A. J. MacEachen (Minister of Labour): I wish to thank the hon. member for sending me notice of his intention to ask this question. I am advised that the conciliation board dealing with this matter is expected to render its report on some date between May 25 and May 31.

[Mr. Douglas.]

REPORTED LAY-OFFS CAUSED BY STEEL STOCKPILING

On the orders of the day:

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, on Friday last the hon. member for Saint John-Albert (Mr. Bell) asked whether I would investigate whether any relationship existed between the lay-offs in the shipbuilding industry and the stockpiling of steel. I have investigated this matter and my information is that few, if any, of the current lays-offs in the firm in which he is interested appear to be due to steel shortages. It is understood that the company in question anticipates June delivery of its current steel orders.

TRADE

RED CHINA—SUGGESTED SENDING OF TRADE MISSION

On the orders of the day:

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, I should like to address a question to the Acting Minister of Trade and Commerce. In view of the statement in this morning's Montreal *Gazette* by the chairman of the Canadian wheat board that sales of wheat to China will be reduced in the future, and in view of the urgency of the matter now that the United States farmers have rejected the wheat referendum in that country, will the acting minister indicate whether the government intends to send a general trade delegation to meet with representatives of mainland China so that general trade between that country and Canada can be expanded and thereby ensure a continued volume of grain sales in that market?

Hon. Rene Tremblay (Acting Minister of Trade and Commerce): Mr. Speaker, the Minister of Trade and Commerce will be back tomorrow morning, and may I take this question as notice.

(Translation):

TRANSPORT

NORTHWESTERN QUEBEC—REPORTED ABANDONMENT OF TRAIN SERVICE

On the orders of the day:

Mr. Gerard Laprise (Chapleau): I should like to address a question to the Minister of Transport.

Could the minister tell us if it is the intention of his department to abandon the C.N.R. train service between the towns of Rouyn-Noranda and Taschereau in northwestern Quebec?

(Text):

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, I should like to thank the hon. member for giving me notice of his

question. I should perhaps point out to him that the department does not abandon railway lines, but I have checked up and I find that no application for abandonment of this line has been filed with the board of transport commissioners. I have also referred his question to the management of the Canadian National Railways for any further information they may have on the subject.

Mr. T. C. Douglas (Burnaby-Coquitlam): A supplementary question. May I ask the minister if his department is making any representations to the board of transport commissioners to suspend those applications which are before them for line abandonment until the government has made a complete review and brought down some legislation to implement the recommendations of the MacPherson commission.

Mr. McIlraith: Mr. Speaker, the question asked by the leader of the New Democratic party deals with a very large and important subject, and to answer his question in the form he asks it is perhaps misleading to the house, in that representation in that form are not the method of handling this subject of rail abandonment, which is very important particularly to the western provinces. He can be quite sure that there will be adequate opportunity for the representations which I think he has in mind being made to the government before the policy is finally determined. In the meantime no action is being taken on the actual abandonment of any of the lines.

(Translation):

DOMINION-PROVINCIAL RELATIONS

REPORTED REQUEST FOR TERMINATION OF JOINT PLANS

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to address a question to the Prime Minister. Could the Prime Minister inform the house whether it is the federal government's intention, upon the request of some provinces, to withdraw from all joint federal-provincial plans?

(Text):

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, this is a matter of important government policy which will be announced at the appropriate time.

(Translation):

Mr. Pigeon: Mr. Speaker, may I ask a supplementary question? Was the Prime Minister of Canada presented with requests to that effect from the governments of the provinces of Quebec and New Brunswick?

(Text):

REPORTED STATEMENT BY QUEBEC MINISTER RESPECTING FISCAL AUTONOMY

On the orders of the day:

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have a question for the Minister of Finance. Has the hon. gentleman's attention been called to a report in this morning's Montreal *Gazette* of a statement made by the minister of municipal affairs of the Quebec government, Mr. Laporte, that unless the government of that province achieves complete fiscal autonomy the province may withdraw from confederation and, if his attention has been drawn to this, has he any comment to make on it, or does he consider such a fiscal proposal would be consistent with confederation?

Hon. Walter L. Gordon (Minister of Finance): The answer to the first part of the question is no, Mr. Speaker.

(Translation):

AGRICULTURE

PROVISION OF FEED GRAIN STORAGE IN EASTERN CANADA

On the orders of the day:

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Does this government intend to provide the eastern provinces with feed grain storage facilities?

(Text):

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, these things are under consideration at the moment by the government, and the house will be hearing from us later in this regard.

ARDA—APPROVAL OF PROJECTS AFTER CONSULTATION

On the orders of the day:

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Can the minister assure the house that all ARDA projects approved and to be approved by his government have been or will be so approved only after the provincial governments have consulted local authorities before presenting such projects for final federal approval?

An hon. Member: Take it as notice.

Mr. Pearson: Put it on the order paper.

Mr. Chevrier: Order paper.

MILK—ENCOURAGEMENT OF DIVERSION TO SPECIALTY CHEESES

On the orders of the day:

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, I would like to direct a question to

the Minister of Agriculture. To follow up the government's program of encouraging the diversion of milk to the production of cheese, would the minister give urgent consideration to the adding of specialty cheeses to the cheddar cheese now promulgated in the order?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, in so far as the soft cheeses are concerned the government feels that due to the high price of cheese in Canada, soft cheese will well take care of itself and any increases in price, which are negligible—maybe two cents a pound on soft cheese—could be handed down to the consumers without doing any harm.

(Translation):

REPORTED WITHDRAWAL OF SUBSIDY ON MILK

On the orders of the day:

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Is it true that his department has abolished the subsidy of 25 cents per 100 pounds on milk?

(Text):

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, the 25 cents subsidy on sweet milk and fluid milks has been abolished, with the saving of some $6 million to the taxpayers. We felt that fluid milk did not require that sort of a subsidy.

(Translation):

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, may I ask a supplementary question? Could the Minister of Agriculture tell us why he has repealed that excellent measure passed by the previous government?

[*Later:*]

Mr. Rondeau: Mr. Speaker, I should like to direct a further question to the Minister of Agriculture. Is it for the same reason, that is to save the taxpayers' money, that the Minister of Agriculture has abolished the subsidy on the purchase of lime?

(Text):

Mr. Hays: Mr. Speaker, I should like to take this question as notice.

(Translation):

[*Later:*]

Mr. Gilles Gregoire (Lapointe): I should like to ask the Minister of Transport whether he intends to follow the same policy as the Minister of Agriculture, in cancelling the subsidies paid to the Canadian National Railways in order to save money for the taxpayers?

[*Later:*]

Mr. Gerard Chapdelaine (Sherbrooke): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Can the minister tell us whether the savings brought about by the cancellation of subsidies to dairy producers will serve to pay for nuclear warheads, or will they serve other purposes?

(Text):

REPORTED REQUEST FOR PARTICIPATION IN CROP INSURANCE

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): I would like to address a question in French to the Minister of Agriculture.

(Translation):

Could the minister tell the house whether the governments of Quebec and New Brunswick presented him with an official request to take part in the crop insurance plan?

(Text):

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, not to my knowledge.

(Translation):

Mr. Pigeon: I should like to put a supplementary question. Is the minister sure of his answer?

(Text):

Some hon. Members: Oh, oh.

NATIONAL PARKS

NOVA SCOTIA—INQUIRY AS TO LOCATION OF SECOND PARK

On the orders of the day:

Mr. L. R. Crouse (Queens-Lunenburg): Mr. Speaker, I have a question for the Minister of Northern Affairs and National Resources, but first I should like to congratulate him upon his appointment to the cabinet. Would the minister inform the house whether a decision has been reached with regard to the location of a second national park in Nova Scotia and, if so, would he tell the house the names of the counties in which this park will be situated?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, no decision has been taken but there has been some correspondence with a number of persons, amongst whom has been Premier Stanfield. I have written him that if he will give us the demarcation of the property concerned, then we are prepared to make a recommendation. The matter has gone that far only at the present time. I think the new proposal is in the counties of Queens, Shelburne and Annapolis. We have found that the present national park in that province is making a tremendous contribution to tourism, and every consideration will be given when the submission is made.

BANFF—REPORTED CANCELLATION OF TENDERS

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, I would like to direct a question to the minister of northern affairs. I understand from information I have regarding Banff national park that in February tenders were called with reference to building motels to take care of the tourists this summer, that tenders were submitted and those tenders, following April 8, were cancelled. I was wondering would the minister answer why those tenders were cancelled after April 8?

Some hon. Members: Out of order.

Mr. Woolliams: Mr. Speaker, I am wondering whether the minister is going to refuse to answer that question, because it is very important to Banff national park and I would like an answer.

Mr. Speaker: I am sure I appreciate the urgency of the question as well as the hon. member does, as he will know, but the minister is not obliged to answer unless he wants to do so.

HOUSE OF COMMONS

INQUIRY AS TO APPOINTMENT OF PARLIAMENTARY COMMISSIONER

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I should like to address a question to the Minister of Justice of which I have given him notice. Has the government given consideration to following the example of Sweden and New Zealand and appointing a parliamentary commissioner or ombudsman to advise parliament upon interference with political, civil or human rights by government agencies?

Hon. Lionel Chevrier (Minister of Justice): The hon. member was kind enough to send me notice of this question several days ago. I would say there are, as the hon. member knows, a number of matters on the order paper concerning this question. First I believe there is a resolution, and next I think there is a question having to do with it. It seems to me that this is a matter for parliament to determine rather than the Minister of Justice. It might well be a matter that could be referred to the committee on procedure that is under the chairmanship of Mr. Speaker. If that would be agreeable perhaps it would be an excellent way of bringing the matter to the attention of the house.

REPRESENTATION OF CONSTITUENCY OF NORTHWEST TERRITORIES

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I should like to ask the Secretary of State what steps are being taken to make possible the immediate representation of the constituency of the Northwest Territories in the House of Commons. Forty four days have elapsed since the election, and this is the 31st day of decision.

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, I am sure the hon. member for Winnipeg South Centre knows as well as I do, and as every other hon. member does, that elections in this country are not conducted by the government but by an officer of this house, the chief electoral officer. I will draw the hon. gentleman's query to the attention of the chief electoral officer, and I think it will be found that the explanation is that the writ has not yet been returned.

WEST BLOCK—REQUEST FOR RETENTION OF CONFERENCE FACILITIES

On the orders of the day:

Miss Pauline Jewett (Northumberland): Mr. Speaker, having been much impressed by the conference arrangements in the west block, I should like to ask the Minister of Public Works whether his department is contemplating keeping these facilities so they may be of continuing benefit to members of parliament for a conference hall.

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I wish first of all to thank the hon. member for having sent me notice of this question. Since my answer must of necessity be lengthy I beg the indulgence of the house. I think this information would be of some interest to all hon. members.

I have visited the conference room and auxiliary services, and I am most impressed with the size and efficiency of the layout. I may say that in the planning of the remodelling of the west block the main room now being used by NATO was always planned as a conference room and will continue to be used for this purpose. The present wall and floor finishes are temporary installations.

Following the conference, the permanent furnishing will be installed, maintaining its present size. However, its appearance will be considerably more lavish, in keeping with the continuing use to which the room will be put; that is, for conferences, parliamentary receptions and, in fact, any parliamentary functions requiring this type of facility. The present table arrangements as well as communications and translation services are removable and will be reinstalled at such times as they are required by any conference taking place in the room. We are also examining the advisability and possibility of maintaining on a permanent basis press communication and translation services.

I would add that in addition to this planned conference room there are to be two large

caucus or committee rooms with an approximate capacity of 125, five smaller committee rooms and divorce courts, as well as a members' lounge. There is also provision for a planned recreational area which will be located on the floor above the main conference room.

Hon. Michael Starr (Ontario): A supplementary question, Mr. Speaker. The minister gave us a very good description of these areas, but he left out the dimensions. I wonder whether he could give us that information as well.

Mr. G. L. Chatterton (Esquimalt-Saanich): Mr. Speaker, may I ask the Minister of Public Works whether there will be more office space available for members after the NATO council meeting is over.

Mr. Deschatelets: May I say, Mr. Speaker, that these arrangements will not disturb in any way the plan we have for offices for hon. members. I might add that the offices provided for hon. members will be ready for occupancy around the end of the present month, and the whole work in the west block will be completed by September 1.

DISPOSITION OF PORTRAITS OF FORMER PRIME MINISTERS

On the orders of the day:

Mr. Heath Macquarrie (Queens): I wish to address a question to the Minister of Public Works, though first I should like to congratulate him on his appointment.

Will the minister advise the house whether the portraits of Sir John A. Macdonald, Sir Charles Tupper, Sir John Thompson and another former prime minister which formerly adorned the west foyer of the centre block have also been moved to the west block and, if so, when they will be returned to their rightful place of honour.

Hon. J. P. Deschatelets (Minister of Public Works): I shall inquire and give the answer to the hon. gentleman in the very near future, and when I say "in the very near future" I mean exactly what I say.

GRAIN

OATS AND BARLEY—INQUIRY AS TO INITIAL PRICES

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, in view of the information contained in a pamphlet put out by the Liberal party during the campaign to the effect that the initial prices for oats and barley would be announced during seeding, will the Minister of Agriculture inform this house what the higher prices for oats and barley are this year, since we are already in the midst of seeding?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, I will take that one as notice, too.

PRICE AND SUPPLY OF FEED IN EASTERN CANADA

On the orders of the day:

Mr. Robert C. Coates (Cumberland): Mr. Speaker, I have a question for the Minister of Agriculture. In view of the fact that feed grains are the chief single cost item for eastern farmers, will the government be bringing forward legislation this session to stabilize the price and supply of feed grains in eastern Canada?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, these matters are all under consideration by the government.

WHEAT—INQUIRY AS TO $2 PRICE

On the orders of the day:

Mr. C. S. Smallwood (Battle River-Camrose): Mr. Speaker, I have a question for the Prime Minister. During the recent election campaign in western Canada he promised the farmers $2 a bushel for wheat. Can we expect this government to fulfil that promise in the 60 days of action?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the intentions of the government on this important matter of policy will be made known in due course.

PENSIONS

CONSULTATION WITH PROVINCES RESPECTING PORTABLE PENSIONS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare. In view of the announcement by Premier Lesage that legislation regarding portable pensions will be introduced in the Quebec legislature, and in view of similar legislation in Ontario, may I ask if the federal government is consulting with the provinces concerning this matter to avoid conflict, or will the government introduce its legislation at an early date so that the provinces will know what is in hand at the federal level?

Miss Judy V. LaMarsh (Minister of National Health and Welfare): The announcement which was made yesterday by the province of Quebec indicated that they are contemplating legislation similar to that enacted by the province of Ontario. It is, I think, of interest to all hon. members of the house, and

particularly to this government, that the failure of communication and lack of co-operation which there has been on the federal-provincial level in the last few years has been overcome.

Some hon. Members: Oh, oh.

Miss LaMarsh: I should like to advise my hon. friend that consultation will be had between this government and representatives of each of the provincial governments.

Mr. Knowles: Will the minister take note of the other part of my question, namely, will this government's legislation be introduced at an early date so that all the provinces and the people of Canada will know what is to be before us?

Miss LaMarsh: Obviously this is a matter of considerable concern to all provinces, Mr. Speaker. There will be consultation with all provinces and with all possible dispatch the legislation will be forthcoming.

FORESTRY

ARRANGEMENTS FOR MEETING OF NORTH AMERICAN COMMISSION IN OTTAWA

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Minister of Forestry. In view of the importance of the work of the North American forestry commission with respect to the development and conservation of our forests and wildlife, and in view of the proposed meeting of the North American forestry commission in Ottawa from June 17 to June 22, can the minister give the house any information with respect to the arrangements that have been made for the meeting, the names of persons participating and the program?

Hon. J. R. Nicholson (Minister of Forestry): Mr. Speaker, I thank the hon. member indeed for having given me notice of his question. He is quite right; the second session of this commission will be held in Ottawa from the 17th to the 22nd of June. I might say that the North American forestry commission is an agency of the food and agriculture organization of the United Nations and its second meeting is to be held in Ottawa on the dates I have mentioned.

Membership in the organization is confined to the United States, Mexico and Canada. These three governments will all be represented at the meeting, and there will be representatives of most of the provinces of Canada. All the provinces have been invited. Observers will also be invited to participate, and invitations have gone out to the Canadian institute of forestry, the Canadian pulp and paper association and some other bodies. I will be pleased to provide more information to the hon. member or other interested members on request.

UNITED NATIONS

REQUEST FOR REPORT ON WORK OF SPECIAL SESSION

On the orders of the day:

Mr. Heath Macquarrie (Queens): I should like to direct a question to the Secretary of State for External Affairs, but in his absence perhaps the hon. and learned parliamentary secretary will take it as notice. Would the minister report on the progress of the special session of the United Nations general assembly now in progress and let us have information on the initiative of the Canadian delegation in respect of the highly important question of United Nations financing, a matter to which the Canadian delegation made a significant contribution at the regular session?

Mr. J. B. Stewart (Parliamentary Secretary to the Secretary of State for External Affairs): Mr. Speaker, I will take the hon. gentleman's suggestion and bring his question to the attention of the minister.

(Translation):

NATIONAL DEFENCE

TENDERS FOR TRUCKING NUCLEAR WEAPONS FROM U.S. TO CANADA

On the orders of the day:

Mr. Gerard Chapdelaine (Sherbrooke): Mr. Speaker, in the absence of the Minister of National Defence, I should like to put a question to the Prime Minister and ask him whether he is aware that two weeks ago the American government started inviting tenders from Canadian trucking firms regarding the transportation into Canada of nuclear weapons originating in the United States?

(Text):

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker, I have had no such information, and I doubt very much whether the hon. gentleman's information is accurate on this matter.

(Translation):

INQUIRY AS TO COURSES AT ST. JOHNS ROYAL MILITARY COLLEGE

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to put a question to the Associate Minister of National Defence. Does the minister intend to recommend to the cabinet that St. Johns Royal Military College give complete courses, as does Kingston Military College?

Inquiries of the Ministry

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, the departmental high officials intend to recommend that St. Johns Royal Military College be able to give the most complete course that is possible.

Mr. Pigeon: A supplementary question, Mr. Speaker. Will the minister make a statement to the house before the expiration of the 60 days.

(Text):

TRANS-CANADA AIR LINES

DISCUSSIONS RESPECTING PURCHASE OF MEDIUM RANGE JETS

On the orders of the day:

Hon. Leon Balcer (Three Rivers): Mr. Speaker, I should like to ask the Minister of Transport if he expects to be in a position in the near future to report to the house on the discussions between Trans-Canada Air Lines and various producers of medium range jet planes, and in particular with regard to the possibility of T.C.A. adopting the Caravelle plane built in Montreal by Canadair.

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, before answering the question I should like to take this opportunity since it is the first one I have had, to acknowledge the courtesy of the hon. member for Three Rivers (Mr. Balcer) at the time I was appointed to this office, by his waiting in the office to receive me and extend those small courtesies which do mean so much in public life.

As to his question today, it is quite impossible at the moment to say when I will be in a position to make any statement to the house on the subject of possible purchases of aircraft for T.C.A.

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mr. Gerald W. Baldwin (Peace River): Mr. Speaker, I have another question for the Minister of Finance and I direct it to him not only in his capacity as such but also because of his known and recorded advocacy of the principle of debt free money. Has the minister any comment to make on the editorial which appears in the *Bay Street Journal* of May 13, 1963 to the effect that the stock market is at an all-time high in the anticipation of Social Credit co-operation and influence on the new Liberal government, and that Lester Pearson should have little difficulty achieving common ground with Robert Thompson?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I would think that question is completely out of order.

[Mr. Pigeon.]

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, I have a question for the Secretary of State. I wonder whether the Secretary of State has noticed that his friend the hon. member for Port Arthur (Mr. Fisher) has, under pressure, changed his seat in this house.

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, it does not seem to me that is a proper question for the Secretary of State, but perhaps Your Honour would permit me to make the very respectful submission that certain admonitions made by your predecessors with respect to the character of questions on the orders of the day would appear to apply to many that have been asked today.

Some hon. Members: Hear, hear.

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, on a point of order, may I direct Your Honour's attention to page 43 of *Hansard* for October 1, 1962, where it is reported that these words were used by the present Minister of Transport (Mr. McIlraith):

> If hon. members putting questions are to be called to order, then surely the rules must be drawn to the attention of the ministers in making answers and those answers must be made properly.

ROYAL CANADIAN MOUNTED POLICE

ALLEGED INEFFECTIVENESS IN RESPECT TO F.L.Q.

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I would like to ask the Minister of Justice whether he is at present reviewing the capabilities of the R.C.M.P. security division in view of that division's apparent lack of effectiveness in uncovering the operations of the F.L.Q.?

Hon. Lionel Chevrier (Minister of Justice): In connection with that question, Mr. Speaker, I think all I need say is that the premier of the province of Quebec has been in communication with me since last Friday in relation to the matter of additional assistance from the federal force, that is the Royal Canadian Mounted Police force, and I have assured the premier of the province of Quebec that in so far as the federal forces are concerned they will lend all and every and immediate assistance that they can under the circumstances.

Mr. Fisher: As a supplementary question, could the minister tell us whether in terms of the security division this particular operation, that is the F.L.Q., is looked upon as a subversive or a security threat to the country?

Mr. Chevrier: Mr. Speaker, I think the hon. member will immediately appreciate that in so far as the prosecution and the laying of charges are concerned, should they be found necessary in the province of Quebec, they are

the responsibility of the municipal and provincial forces. In that respect I am afraid I can go no further at this time.

(Translation):

Mr. Gilles Gregoire (Lapointe): A supplementary question, Mr. Speaker. As the Minister of Justice has just said that he had a telephone conversation quite recently with the premier of the province of Quebec, would he tell us if the premier of Quebec took that opportunity to discuss the question of his ultimatum concerning the new fiscal arrangements?

(Text):

COAL

REMOVAL OF TARIFF ON IMPORTS FROM U.S.

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, I have a question for the Minister of Mines and Technical Surveys, but in his absence I will direct it to the acting minister. Is the government giving consideration to the removal of the tariff on United States coal imported into Canada?

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, I will be glad to take that question as notice and draw it to the minister's attention.

SUGAR

REQUEST FOR STATEMENT ON INQUIRY INTO PRICE INCREASES

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question for the Minister of Justice, who intimated last week that he was looking into the skyrocketing price of sugar. Having in mind the adverse effects of this increase now reported spreading to the fruit and canning industries, I wonder if he is in a position to report any progress in his investigations.

Hon. Lionel Chevrier (Minister of Justice): I am sorry, Mr. Speaker; I did not hear the first part of the hon. member's question, but I think I know what he has reference to. It has to do with the question he asked earlier concerning sugar. I am afraid I cannot report anything further than I did the last time. When there is an opportunity to do so, I shall.

INDUSTRY

TRENTON, N.S.—REQUEST FOR ORDER FOR RAILWAY CARS

On the orders of the day:

Mr. H. Russell MacEwan (Pictou): Mr. Speaker, I should like to direct a question to the Minister of Transport. I have not given him notice, and he may wish to take the question as notice. In view of the serious unemployment situation at the Eastern Car Company plant at Trenton, Nova Scotia, which is the largest employer in the area, and in view of the fact that U.I.C. benefits are running out, I wonder whether the minister would look into the matter of providing a railway car order immediately for that plant.

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, I will be very glad to take the question as notice.

COMBINES

WINNIPEG—REPORTED COMPLAINT RESPECTING ELECTRICAL EQUIPMENT

On the orders of the day:

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I wish to direct a question to the Minister of Justice. Has the minister received a complaint from the city of Winnipeg regarding a possible combine in the field of electrical equipment, and if so, what action is the government taking in respect of this complaint?

Hon. Lionel Chevrier (Minister of Justice): I am sorry, Mr. Speaker; I did not hear the last part of the question. Dealing with what?

Mr. Orlikow: A possible combine in the field of electrical equipment.

Mr. Chevrier: Yes, I believe I have, and the matter is under study.

WATER RESOURCES

PARTICIPATION BY ALBERTA IN CONSERVATION STUDY

On the orders of the day:

Mr. J. H. Horner (Acadia): I wish to address a question to the Minister of Agriculture. Due to the fact that the province of Alberta has recently decided not to participate in the water study asked for by the prairie water conservation board, would the hon. gentleman not use his good offices to try to convince the government in Alberta and, maybe, his counterpart in that government, that this question is of vital importance to the cattle industry in our province and that they should participate in this study of the prairie watershed?

Hon. Harry W. Hays (Minister of Agriculture): We shall be glad to consider this.

(Translation):

FINANCE

INQUIRY AS TO NEW ISSUE OF FEDERAL BONDS

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I direct my question to the Minister of Finance.

Can the minister tell the house whether it is true that the present government intends soon to issue a new series of federal government bonds?

(Text):

Hon. Walter L. Gordon (Minister of Finance): It is customary, as I think the hon. gentleman knows, to give notice from time to time when bond issues are contemplated. We did this the other day before the most recent issue was announced. I think the announcement was made to the investment dealers and not in the house. I believe that has been the practice for many years and it is probably the best one to continue.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Tuesday, May 21, consideration of the motion of Miss Pauline Jewett for an address to His Excellency the Governor General in reply to the speech from the throne delivered by His Excellency the Administrator at the opening of the session, and the amendment thereto of Mr. Diefenbaker.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, it is for me, sir, a very real pleasure to extend to you my heartiest congratulations on your election to be the Speaker of this house. I join with my leader, as well as with others in this group and, indeed, with all groups in this chamber, in extending good wishes to those other hon. members who must, by now, know that we all offer them warmest congratulations.

Mr. Speaker, in the course of the last two or three speeches which I had the privilege of making in the recent campaign, I made an assertion which I feel sure could not be denied, and I made a prediction which I believe may well come true. My assertion was that the last parliament was just about the worst one we ever had. My prediction was that this parliament, which we were electing on April 8, could be one of the best we have ever had. I believed that to be so at the time I made the prediction. I believe it now. As a matter of fact, I believe it even more today than I did yesterday, for I think what happened in this house last night will play a salutory part in bringing my prophecy to reality.

When I made the prediction that this parliament could well be one of the best we have had in the history of this country I did so saying at the same time that I thought we would have another minority government. I tried, therefore, to deal with the question: why could I hope that a parliament with a minority government would be a good one whereas the parliament just over, which also had a minority government, was such an awful one? My own answer to that question was this. I believed that no matter what party might be called on to form the government in this parliament it would realize that it should at all costs avoid an election, and that in order to do this it would have to pay some attention to the views of all members in the house. I said, also, that I felt it would have to pay some attention to the views of those of us who represent the New Democratic party.

The government learned yesterday that that is true; that although we, in common with all members of the house, feel that the people of Canada want us to stay here and do the business of the country, on important and crucial issues we shall not shrink from doing what is clearly our duty. I am sure all of us in the house hope that after the experience of yesterday the government of the day will drop its arrogance and realize it has to pay some attention to the wishes of parliament as a whole.

When I said that this parliament could be one of the best we have ever had, I had in mind not that this would just happen because someone predicted it or because a certain party formed the government, but rather because there were certain things which we, as members of this house, would have to do. If we want this to be a good parliament, and one which serves the people of Canada well, there are certain conscious efforts which we as members must make. I intend to speak of these conscious efforts under three main headings.

In the first place, I feel we in this parliament in all corners of this house must with determination practise strict adherence to the rights, privileges and procedures of parliament. I want to emphasize that this means something more than just literal adherence to the rules or standing orders set out in our book. It is easy enough to follow the simple rules which determine how long a member may speak, when the house shall sit, when it shall rise, and so on. Most of the written rules are easy enough to follow. But parliament consists not only of written rules of procedure but of certain rights, practices and traditions which have grown up over the years and over the centuries. If we are going to make this parliament work, if we are

going to make it the valuable democratic institution it could be, we have to pay regard to these rules, practices and traditions. In order to be specific as to some of the things in which I think this parliament must not fail, it will be necessary for me to refer to some of the failures of the past. I would make the plea that they not be repeated in this twenty sixth parliament.

Last year we had the experience of a full fiscal year passing without the people's representatives voting on the estimates of expenditure. A full fiscal year's money was spent, ten months of it on the basis of interim supply and the other two months on the basis of governor general's warrants. If my reading of Canadian history is correct, this is the first time this has happened. This sort of thing does damage to the institution of parliament. I call upon this government which has now taken over not to delay bringing down the estimates. Once they are down, I call upon the government not to delay in arranging for their discussion as early as possible in the fiscal year, so that they can be considered by hon. members of this house and can be passed before that money is almost entirely spent. The whole question of parliamentary control over the purse is one of the most important elements in parliamentary democracy, and it matters not how well we keep the written rules in the book if we fail to adhere to the principle of parliamentary control of the purse.

In the same vein I would mention the question of the budget. There are various definitions which one can give to a budget. Sometimes it is thought of merely as a series of taxation changes that the minister of finance brings before the house. It is that, but it is more than that: it is an accounting by the government to the people's representatives on the state of the nation's finances. It is almost two years since the House of Commons had a full debate on a budget dealing with the finances of this nation, and I urge this government to make sure that this error, this failure, is not repeated during the life of this parliament.

I remind the government also of the position in which it finds itself with regard to the surcharge order in council passed last June. The government now finds itself, according to an announcement made yesterday, in the position of feeling that it must introduce legislation validating an order in council which at one time the members of the government felt, as we felt, was completely invalid. It may be that the government of today has no alternative to the one suggested yesterday, but I am certainly very unhappy about this proposed course because it seems to suggest that future governments who may feel they want to pass something by way of order in council which is of doubtful validity can say: "Oh well, a subsequent parliament will take care of it by legislation if there is any invalidity". Mr. Speaker, these are the kinds of things beyond the actual rules which are written in the books which are of great importance if we are going to maintain the rights and privileges and the importance of parliament.

Another of the errors of the last parliament, and another reason why it was such a poor one, was the great difficulty we had in getting to the floor of that parliament the tremendous issues which were of concern to the Canadian people at that time. I need not enumerate them now because we enumerated them during the course of the last session. We have already had that sort of trouble in this parliament, for it is only because we took advantage through the right of the leader of this group to move a subamendment yesterday that we had a discussion on the important issue of nuclear arms. But even though we had this discussion yesterday, it was virtually *ex post facto* because the government had already made an announcement which indicated a decision for the Canadian people had been made on this question.

Yesterday we were told by the Prime Minister that we should not be concerned about this; that after all there was an opportunity to vote confidence or non-confidence in the government, and that such action would show approval or disapproval of the government's decision. But I would remind the Secretary of State (Mr. Pickersgill), who is doing me the honour of paying attention to my remarks, that the Liberals in the last house did not agree that the votes of confidence which the government in the last session won gave validity to the surcharge order in council. True it is, in a constitutional sense, that if a government is maintained in power by votes of confidence the day to day things which it does have a kind of approval. But surely you do not stretch that constitutional theory to the point that it is giving approval of government decisions on major issues of policy.

The surcharge order issued last year was such a major issue. It involved the taxation of the Canadian people of hundreds of millions of dollars. It was enacted by order in council without reference to parliament at any point, and without the consent of the government of that day even to refer it to the supreme court. That was a wrong course to take. The nuclear arms issue is an issue of deep concern to all the people of Canada; it is perhaps the most significant issue facing the human race at the present time. I feel,

as all members of our group feel, that it was improper and that it was a violation of the rights and traditions of parliamentary practice and procedure for the government to take a stand on this question before bringing it before this House of Commons. My plea to the government is to remember how its own members, when sitting on this side of the house last year, felt annoyed and affronted over the things done during that session, and I hope that they will not soon forget their annoyance but that they will realize that if parliament is to work they must pay attention to these niceties of the relationship between the executive and the parliament of Canada.

This is the most important aspect of responsible government. As I say, it depends not just on our being able to follow written rules which spell out some mechanical details; it depends on the government realizing all the time, day and night, week in week out, that it is responsible to parliament and that its proper relationship with parliament is something it must continually maintain.

In the same vein I feel that if parliament is to be seen as a place where democracy is being practised and where the people's representatives are speaking for them, a great deal of thought must go into the organization of the business of this house. I would pay tribute to the action of the Secretary of State for his holding already a meeting of representatives from all four parties, at which it was my privilege to represent this party. I understand he plans to hold other such meetings, and I welcome them and urge him not to let down on this. I urge the government to pay particular attention to the organization of the business of the house so that it will appear to the country that we are doing business, and so that the members of this house will feel this business is being done in an orderly manner.

Again I must mention some things which should not be done. I think it is a mistake to commence debate on a piece of legislation and then, because the government runs into some difficulty, to adjourn the debate and proceed with something else. I think it is a mistake to shuffle around from one piece of business to another. I think it is a mistake to keep the house guessing from day to day as to what is going to happen the next day or next week. I think it makes far more sense in terms of democracy and parliamentary practice for the government through this kind of four-party meeting which the Secretary of State has already held, to take the house into its confidence and to tell us what is being planned. Then once we commence a piece of legislation we should stay with it until it is completed, and thus do our business in an orderly fashion.

A lot is said about the organization of the business of the house as though the main aim were to get it through and save time. We do not want to waste time, but that is not the main aim of parliamentary reform. The main aim is to make sure that our business is done efficiently and with expedition, and also to make sure that it is done with a sense of participation on the part of all members. I recognize that this is not a city council or a county council but the parliament of Canada. The government is the government, and it has certain responsibilities as the executive. It is also responsible to parliament. But the fact remains that the people in the constituency of Winnipeg North Centre are represented here not by the government but by their member. The people of Burnaby-Coquitlam are represented by their member, and those of other ridings by their members, and there are certain things in which the people of Canada are not really participating unless their members are taking part in these decisions. This is what was wrong with the spending of money last year. It was spent without the approval of the 265 members representing the 18 million people of Canada. It was spent as a result of decisions of the cabinet. I say, therefore, that the whole business of organizing the legislation, the discussions, the debates of this house is important, not just for the convenience of members. It is important that it appear that the whole of the parliament of Canada, all the representatives of the people of Canada, are taking part in the debates and in the legislation in this house.

I think also, Mr. Speaker, attention should be given to the whole question of how questions are answered. I realize, and I assert, that on the opposition side of the house we must not use the question period frivolously. Today's *Hansard* will show a number of questions which, in my view, should not have been asked. However, when serious questions are asked the government has the responsibility of giving answers as expeditiously as it can. I think we have far too many occasions upon which the answer is that government policy will be made known in due course, or that the question asked is one of which notice will be taken. We should forgive government members for a few days, perhaps, until ministers know their way around their departments. However, I think we should look upon the question period not as so much political warfare but as one of the most important parts of the political democracy we are practising in this country.

One of the things about the parliamentary system that makes it superior to other legislative systems is precisely the fact that we are members representing our people in 265 constituencies and we are here on the floor of the House of Commons with the members of the government, in a position to ask them questions on behalf of the people we represent. This gives us the right to ask serious questions and to receive serious answers. The importance of asking serious questions and of receiving informative replies cannot be overemphasized.

Mr. Pickersgill: I wonder if the hon. gentleman would permit me to ask him a question at this point?

Mr. Knowles: Yes, if it is short.

Mr. Pickersgill: Does the hon. gentleman think it would be a good idea if we were to follow the British practice and have notice given of questions so that a minister could be informed when he rises to answer questions?

Mr. Knowles: It is always difficult to cite British practice and suggest ours should be equated with that of Westminster because there are other differences. I would accept the British practice with regard to questions if we were to adopt the British practice with regard to debates of questions on adjournment. You cannot take one thing out of the British practice that is to the advantage of the ministers and not take something else. I hope I will be a member of the committee on procedure. It might study this matter among others, and I would be glad to take part in a discussion concerning it. I am stressing the things that the government should do, but I have already said there are responsibilities on the opposition side as well, not to make a joke out of parliament, not to ask frivolous questions, and to realize the tremendous importance that this place holds in our parliamentary system. Let us have, by all means, the cut and thrust of debate, sharp argument, but let us realize at all times that we are the representatives of the people of Canada and we are here to do a job.

The second thing into which I think we must put some effort if we are going to make this parliament, as I think it can be, one of the best in our history, is to establish in the public mind confidence in the integrity of their public representatives. I believe, Mr. Speaker, that the ordinary people of Canada want to believe in us, want to have confidence in their members of parliament. They look upon us not just as the ordinary people we are but as members of this important institution of parliament. At times this becomes difficult. At times cynicism arises. I suggest one of the reasons that cynicism arises is the tendency of parties, when they move from one side of the house to the other, to change their position. I have kept particular notes, and I am addressing myself to the government in particular, of the things that the Liberals supported in the last parliament. They supported a bill of mine calling for eight statutory holidays with pay. They supported a bill of mine to have $1.25 per hour established as a minimum wage. They opposed these things when they were on the government side prior to 1957. I hope they will not change their position now they have moved back to the government side of the house.

The Liberals, when they were the government last time introduced a bill to provide for hospitalization but refused to include in it provision for mental and tubercular patients. When the former minister of national health and welfare came over to this side of the house he asked the Conservative government to do what he had refused to do. What is his position now? I could go on with various things. There is the question of the position that the Liberals have taken on nuclear arms. I have some material here and I would have made more use of it last night if I had had an opportunity to participate in the debate at that time. This book is published by McLelland and Stewart Limited, a firm of discriminating publishers, and it is entitled, "The Liberal Party", by J. W. Pickersgill. On page 133 of this book I find a very ringing statement to this effect:

> The Liberal party believes that Canada can make a more appropriate and effective contribution to the joint defence of this continent and to the military alliance of the free world by strengthening the so-called conventional armaments of the Canadian forces than by seeking to become a very junior nuclear power, with a limited supply of nuclear weapons which, in present circumstances, could not be under Canadian custody.

Some hon. Members: Oh, oh.

Mr. Knowles: I find, of course, this entire book was given the imprimatur of the right hon. Prime Minister of Canada because he wrote a foreword in which he said:

> Mr. Pickersgill's book, to which I am glad to contribute this foreword states the Liberal record and the Liberal purpose in Canada in a clear and convincing way.

I give this now, Mr. Speaker, as an example of the thing I think politicians, members of parliament, should avoid, this business of taking one position when you are on the government side of the house and taking another when you get to the opposition side, then changing again when you get back. It is not good for parliamentary democracy. It does not lead the public to have that kind of confidence in their representatives which the people of Canada want to have. I say the same thing to my friends of the Progressive

Conservative party. It is very interesting to hear some of them now asking from this side of the house for the government of the day to do the things that their government refused to do when they were over there.

Now, Mr. Speaker, is this really necessary? Must we have this kind of human weakness that results in a change in position as we move back and forth? If we persist in it, we cannot be surprised if there is cynicism in the public mind regarding politicians. I think it is unfortunate there is that cynicism. I think it is unfortunate that "politician" is sometimes thought of as a dirty word. I feel that a politician has a tremendously high calling, but it is up to us so to act in this house in our various parties that the people of Canada will come to that realization.

The third heading I have on this list of things I think we must do if we are going to make this parliament one of the best in our history is that we must work to produce some solid legislation that will be of benefit to the Canadian people. In the first place, without delay, we must get on the statute books of this country legislation, and we must have brought before us government policies, that will get our economy rolling and keep it rolling. We must provide employment. I welcome the statement that was made by the hon. lady who moved the address. I welcome the statement made in this regard the other day by the Prime Minister. However, statements are not enough. We have to keep at this. Unemployment is not something that can be solved with one magic solution. It takes economic planning; it takes fiscal and financial policies that will stimulate the economy. It takes training. It takes all the various things our economists know must be done. This is the session of parliament in which we must do those things to provide employment and provide a thriving economy for our people.

The field of pensions is another in which we must produce a piece of solid legislation. I welcome the announcement in the speech from the throne that something is coming. I welcome the assurances that the Minister of National Health and Welfare (Miss LaMarsh) has given me on a couple of occasions that if I will just contain myself these things will come to pass. But, Mr. Speaker, I insist that there must be no delay and that this legislation must be as good as or better than the Liberals are now proclaiming it to be. Though the indications so far are very good, in the sense that it looks like there will be an increase in the amount of the pension and that there will be a contributory plan and so on, I regret that there seems to be no suggestion from the Liberal side of the house that the means test is going to be removed at age 65. In my view this is one of those solid achievements that this session of this parliament ought to produce.

I regret too that in the speech from the throne there is no reference to health insurance or medicare. The year 1919 was the year when the Liberals first started talking in this field. It took them nearly 40 years to get hospitalization on the statute books. But, Mr. Speaker, medicare is one of the prime needs of the people of our time. There is a great deal of interest in it, as is being shown by the platforms of all parties in this country at the present time. This is a piece of legislation that must come out of this session.

Housing is another field in which we must make tremendous progress. Before my time runs out I should like to say that I think too, that in this session of this parliament we must make tremendous steps in the field of increasing our contribution to external aid. We in this corner of the house do not like the only decision that has been made so far in this parliament so far as international relations are concerned, namely, the decision that was taken last night. Over and above whatever defence or diplomatic arrangements have to be made, we think that if we are going to achieve and maintain peace in the world we have got to do something to raise the living standards of mankind the world around, and what we are doing in Canada is not even a drop in the bucket. When you look at that in the light of our unemployment and in the light of our unused capacity and unused resources, I suggest the time has come for the government to give to parliament and to the people of Canada a vision of what we can do as Canadians to help to improve the position of mankind throughout the world.

There are other fields, but I stress these five: the provision of full employment, including the whole question of the economy and economic planning; improvements in pensions, and I suggest that the least that should happen would be $75 a month at 65 right away, with the other things that the government has indicated; then, housing; also medicare, and finally a contribution to the peace of the world. I see you are on the edge of your chair, Mr. Speaker. I am through. I just want to emphasize my belief that the prediction I made before the election was held is one that we can make come true. We can make this parliament one of the best that the people of Canada have ever had. We can do it, if we will adhere strictly to the traditions and practices of parliament, if we will do our best to establish in the

public mind confidence in us as their representatives, and if we will work together to bring down some very solid legislation for the good of the people of Canada.

(Translation):

Mr. Maurice Sauve (Îles-de-la-Madeleine): Mr. Speaker, I would like to congratulate you on your appointment and I associate myself with many of our fellow members who have taken this opportunity of expressing their regard for you.

I also want to tell the hon. member for Northumberland (Miss Jewett) how much I appreciated her speech last Friday and to what extent I subscribe to the principles she expounded at that time.

The hon. member for Lotbiniere (Mr. Choquette) proved that worth does not wait for age, and he did very well in carrying out his task.

Mr. Speaker, this morning I attended the opening of the NATO conference. I was very pleased to hear the chairman and the secretary of the NATO council say that they were particularly happy to attend a NATO meeting in Ottawa. Moreover, I was also extremely satisfied to hear those two personalities, Lord Home and Mr. Stikker, pay a special tribute to the Prime Minister (Mr. Pearson). They stated that he had not only been one of the founders of NATO, but one of the main leaders to support this organization during its most difficult moments, that he had been one of the three wise men. In a word, they wanted to pay him a particular tribute in this very house, and I am proud to be a member of a party led by a statesman who has the confidence, not only of his fellow citizens, but also of the whole world and more particularly of the diplomats of other countries with which we maintain diplomatic relations.

Mr. Speaker, I would be remiss if I did not point out the fact that I regret the absence today of some of our colleagues in the last parliament. On the other hand, I am happy to welcome the newly-elected members who will share the difficulties of parliamentary life with us. Indeed, election campaigns are much more easy, on the whole, than the work we have to carry out during the sessions.

(Text):

I might take this opportunity to speak for a few minutes about the election campaign in the Magdalen Islands. I do not want to devote too much of my speech to this matter as I intend to discuss the economic content of the speech from the throne and its consequences in terms of employment and so on. But, Mr. Speaker, you might be interested to know that something very strange happened during the campaign. We had a Conservative candidate by the name of Gerard Mecteau who came to the Magdalen Islands four or five days before nomination day. He was accompanied by Mr. Snyder, former campaign manager of the Union Nationale candidate, Mr. Hormidas Langlais, who was defeated last November after sitting in the Quebec house for 26 years. Mr. Mecteau was an employee of Mr. Snyder. He came there, filed his nomination papers and disappeared. He never showed up during the campaign. We do not know him. We have never seen him.

The surprise is that a week before election day this same Mr. Snyder, the organizer for the Conservative candidate and campaign chairman for the former Union Nationale member, came there and started campaigning on behalf of the Social Credit candidate, Mr. Fernand Turbide. But that is not all. Not only was the Union Nationale linked with the Conservative candidate and the Conservative candidate linked with the Social Credit candidate and the Union Nationale organizer and the Conservative organization supporting the Social Credit candidate, but they were supporting a candidate who was not qualified to stand for election. Probably for the first time since confederation a candidate in a national election ran for office without being 21 years of age. I have his birth certificate which I will send to my friends of the Social Credit party so they can read clearly what is in it and I will read it now for purposes of *Hansard.*

(Translation):

Mr. Gregoire: May I ask the hon. member for Îles-de-la-Madeleine a question? Was he aware of those facts before election day?

(Text):

Mr. Sauve: I will read—

(Translation):

Mr. Gregoire: May I ask the hon. member for Îles-de-la-Madeleine a question?

Mr. Speaker: Order. May I remind the hon. member that he must address the Chair.

Mr. Gregoire: Mr. Speaker, may I ask the hon. member for Îles-de-la-Madeleine a question? Is the hon. member aware of the fact that a candidate did not have the required age on election day?

Mr. Sauve: Yes, sir, we knew about it, but it was impossible to be on the spot in time with the necessary documents to prove the facts to the returning officer.

(Text):

I will read this document now because I think it is a fascinating one. It proves that the

Social Credit party did not take this election seriously in the Magdalen islands, and probably elsewhere. How would a national party with standing dare to present a candidate who was not 21 years old?

(Translation):

Parish of Ste. Therese d'Arvida

Joseph Ovide Fernand Turbide, born on December fifth, in the year one thousand nine hundred and forty two, legitimate son of Edmond Turbide and Marie Louise Lafrance. Godfather: Jean Paul Lafrance. Godmother: Fedia Lafrance Martin. Christened on December 6, 1942 by the Reverend Maurice Girard. This is a true copy made out on March the 13th, 1963 by Normand Deneault, priest.

Mr. Gregoire: Mr. Speaker, would the hon. member allow a question? He therefore received this copy on March 13, 1963, that is almost a month before the last election, because as the date on the paper indicates, he asked for this copy of the christening certificate on March 13, 1963.

Now, could the hon. member for Îles-de-la-Madeleine explain to us how it could be that he, who is a good and law-abiding citizen, has not tried to rectify the case before the election, instead of doing so later?

Mr. Sauve: Mr. Speaker, it is true that this document was signed on March 13, but it reached me only on March 17 or 18, and the nomination was on the 25th. It was therefore, because of existing circumstances, impossible to submit this document—

Some hon. Members: Shame.

Mr. Gregoire: Mr. Speaker—

(Text):

Mr. Sauve: In any case the responsibility rests with the Social Credit party, not with me. I was not the one to choose my opponent, and when you see what happened there you can understand why the population of the Magdalen Islands will not vote for many years for any Socred, Conservative or National Union candidate, when they come there to laugh at the people during an election.

(Translation):

Mr. Speaker, in any case, I am not here this afternoon to discuss the happenings in Îles-de-la-Madeleine.

An hon. Member: The member for Îles-de-la-Madeleine is the only one to be aware of those alleged facts.

Mr. Sauve: I have only one thing to say. The speech from the throne contains the legislative program of this government for the first part of the session. It is very clear that one does not find in the speech from the throne the whole program and all the commitments made by the Liberal party during the last election campaign. We have a four year program. How could the hon. members of this house expect that in the first part of this session the government would endeavour to solve all the problems? It is physically impossible.

An hon. Member: You have 60 days.

Mr. Sauve: Exactly, the government has decided in those 60 days to fulfil some of its most urgent commitments.

An hon. Member: Like nuclear weapons for Canada?

Mr. Sauve: And when I compare—

Mr. Pigeon: Or the return of taxation powers to the provinces?

Mr. Sauve: When I compare this 60 day program to the inaction of the 2,140 days of the previous government, I am proud to be a member of the Liberal party.

An hon. Member: It takes very little to make you proud.

Mr. Sauve: Now from the legislative program offered in the speech from the throne I would particularly like to dwell on the economic measures mainly meant to remedy unemployment.

I do not have to recall that the government intends to establish a department of industry, that it will add $100 million to the funds at the disposal of the Atlantic development board. The government intends to create a municipal development and loan board. It also intends to create a Canada development corporation and to establish an economic council of Canada.

When the bills are before us we will, I am sure, be able to see exactly what the government has in mind.

The actual wording of the legislation and the way it is to be carried out will enable us to judge more readily whether the government is in earnest or whether it simply wants to fulfil some of its commitments.

As a matter of fact, unless we decide to implement the indicative planning we talked about during the last session, a planning which has brought prosperity to so many European countries, I think we will have very little chance to solve the serious unemployment problems and the serious economic problems of our country.

I hope that all those boards the government intends to set up will have a fair and equitable representation of the labour and farming communities. All elements of our economic life must be represented on those federal agencies.

I am of the opinion that the climate of confidence which surrounds this new government, which is reflected in the papers and the comments made by everybody, will promote the appearance of new capital in Canada and new investments in the most important segments of our economic life.

If I discussed economic problems and solutions contemplated by the government, it is mainly because in our province of Quebec unemployment is and has always been a plague as I shall try to prove it. I think that all members of this house realize that the economic situation in the province of Quebec is difficult, that you find in the province of Quebec 37 per cent of all jobless in the country—

An hon. Member: Under a Liberal government.

Mr. Sauve: —while there is only 27 per cent of the labour force and twice as many unemployed people.

Mr. Gregoire: Under a Liberal government.

Mr. Sauve: That has been going on for a long time. If the hon. member for Lapointe will listen to me, he will understand, like hon. members from other provinces, that the uneasiness felt in the province of Quebec originates from deep economic causes and that by finding a solution to those economic problems, we may do more to maintain national unity in Canada than all the great speeches which are delivered at present on that matter.

That situation has been existing for a long time.

I have here a publication by the dominion bureau of statistics entitled "Unemployment in Canada", catalogue No. 71-503F. On page 12 of that document, you can read "Distribution of unemployment by region". From 1951 to 1955, a period when we had a Liberal government—one must admit that—36 per cent of all jobless in Canada were in the province of Quebec. From 1956 to 1960, when we had a Conservative government for most of the time, 36 per cent of jobless lived in the province of Quebec. In 1961, the proportion is still 35 per cent while we only had 27 per cent of the labour force.

It is obvious that unemployment has particular effects on personal income. I have before me a document which shows that there was $497 difference, in 1961, in the personal income as between a resident of Ontario and a resident of Quebec; this means that in Ontario, the per capita income was $1,829 while in the province of Quebec it was only $1,382, a difference of 37 per cent.

Well, Mr. Speaker, how can the citizens of the province of Quebec, who consider themselves as full fledged citizens, who want to be considered as equal partners in Canada, be willing to accept a situation where they are at a financial disadvantage compared to the citizens of Ontario?

I believe that the measures set out in the speech from the throne will probably help to find a solution to the problem of unemployment. But what chances have these measures of being successful in the province of Quebec? I suggest that any legislation from the Ottawa government should get the approval of the Quebec people and of the provincial government. The pieces of legislation with which we shall have to deal in this house should facilitate the work already undertaken by the government of Quebec.

In the province of Quebec, we have set up a general investment corporation; we are planning to establish an iron-smelting industry and, unless the central government, which has great responsibilities in the economic field, comes and facilitates the renovation work undertaken by the Liberal government of Quebec, I am afraid that we, in Quebec, shall not be able to achieve the aims which we have set forth and, consequently, we shall continue to have grievances against the rest of Canada.

For the administration of these new laws, when we shall have to recruit civil servants, it will be important to choose employees from the province of Quebec, familiar with the Quebec mentality, who will be on friendly terms with the Quebec government, and with the officials from Quebec. Otherwise, how can we hope for the successful administration of these new laws?

Mr. Speaker, as far as the unemployment problem and the inferior income I have just referred to are concerned, even if the latter situation is, to my way of thinking, the main cause of the uneasiness which is felt, it remains nevertheless that, as a group, our situation is far from brilliant.

When we consider the situation of the French Canadians in the hundred largest corporations in Canada, we find that only two of them are managed by members of our group; there is not a single French Canadian vice president on the executive board of the C.N.R. or of the C.P.R. In fact, until recently, not a single French Canadian was a member of the executive board of the C.N.R. Why did we have to utter shrill protests in this house

before Mr. Maurice Archer was appointed? What can we infer from this?

You will note that two French Canadians have been prime ministers of Canada; that three have been chief justices of the supreme court and one, Governor General. But why are there no French Canadians to be found to manage more crown corporations as well as the large Canadian banks?

It should nevertheless be appreciated that we have been waiting since 1867. We have been patient. It is difficult to ask a people to keep on waiting, when that people has known, since the month of September 1959, a climate of freedom.

That people who want to develop is creating the instruments of its own freeing and goes on with its emancipation, as it can be seen now.

Things that seem irregular happen too often. For instance, on the trains between Montreal and Ottawa—on both the C.N.R. and the C.P.R.—conductors are practically unilingual and the announcements are called only in English. And while this happens in Ottawa and on the trains, bombs are exploding in Montreal. Even in government buildings, elevator operators do not always understand French. Most of the time, if we want to go to the fourth floor, they take us up to the sixth.

Such is the situation at the present time. It should at least be realized what a climate it creates. We have practically no right to live in French in certain provinces.

In the economic field, where do we stand? We own almost nothing. We have almost nothing, outside the province of Quebec.

As to the civil service in Ottawa, even if they say to French Canadians: "Come, you will be welcome", our civil servants must nevertheless write and discuss in English. In the important international meetings, how many French Canadian officials represent us? Indeed I intend to put this question on the order paper of the house.

There must be a possible solution to that problem. We cannot wait any longer.

The proposed enquiry on biculturalism will soon get under way, but naturally it will not solve all our problems. However, it might increase our awareness of the situation, and enlighten more particularly our English speaking friends. For most French speaking Canadians, the problem is of a psychological order. If we are not really happy outside Quebec, if the education of our children in the other provinces is fraught with difficulties, if we must fight to snatch mere crumbs from the various provincial governments, how then can we be proud of our country and feel at home everywhere within the Canadian borders? It is high time for all of us to size up the situation.

The commission on biculturalism will only succeed if it secures the co-operation of the provinces. If this co-operation is denied, what could the commission do? We know that most of our problems stem from education, a matter strictly within the jurisdiction of provincial governments. The success of the inquiry rests also in part upon the choice of the commissioners. I hope that the provinces and the federal government will select the best men, and discard every vestige of partisanship.

I think we are all agreed on that point. The success of the inquiry on biculturalism will depend in great part on the excellence of the briefs to be submitted to the commission. If the two main racial groups of our country take advantage of this inquiry to give expression to their spite toward one another, its results will be inconclusive. Briefs must be objective.

I trust that the inquiry will have at its disposal all the means required for objective and scientific research in order to find out what is going on and what is exactly the situation at the present time. Being aware of the situation, we shall be in a better position to find the proper answers to our problems.

Let us not believe, however, that those answers will be found overnight, because even though the federal government were to accept the proposals of Mr. Lesage, the matter would not be entirely settled because it goes beyond the problem of fiscal relations.

I, for one, believe that the federal government could accept the terms of the Quebec government and propose to the other provinces the same arrangements whereby the federal government's share of expenses would be turned over to the provinces in the fields coming under provincial jurisdiction. Let me explain.

Supposing that the fiscal demands of the province of Quebec would amount to $125 million a year, the federal government might very well hand over those $125 million to the province while the province would have to pay, at the same time, the federal contribution of $75 million to hospital insurance and do the same in other fields.

What Quebec wants, is self-administration in its own way. The province does not want to take what rightly belongs to others, but it wants to be able to look after its own affairs in all fields under its jurisdiction.

You will note, Mr. Speaker, that if we want to be our own masters at home, it does not mean that we want to separate ourselves from the others, though—and here I am weighing my words carefully—we find, more and more, in the province of Quebec, people who do not expect anything either from Ottawa or from the rest of Canada.

Those people are not necessarily separatists. But they have decided to solve their own problems themselves through a government which is nearer to them, i.e. the provincial government of Quebec.

I trust—my speaking time is about up—that all my fellow members will realize the importance of the legislation suggested by the Liberal government in Ottawa. I also hope that they will not tarry in passing economic legislation, which might end part of our troubles, because we of the province of Quebec want to live in the same way as others do. We want to live as others do, as do people in Ontario, and enjoy the same prosperity. We want to feel at home everywhere in Canada. When we get out of the province of Quebec, we want to find ourselves at home too, be it in Vancouver, Winnipeg or St. John's, Newfoundland. For this is our country, the country of all Canadians. And, which is perhaps still more important, we would like the people from the other provinces to want us too.

We want to feel that we are essential to the development of Canada. We want the rest of Canada to like us. If Canadians from all provinces will join with us, we will build in Canada, our land as well as yours, a country where it feels good to live in good understanding and complete equality. We want to be equal partners.

It is probably the last chance the traditional political parties will have in the province of Quebec. No longer can we accept promises from political parties in that field. Now, we need action. We have become politically conscious. We all know what happened last June when the people of Quebec gave a warning to all traditional parties, voting as they did for Social Credit. The province of Quebec gave that warning and they might give more than a warning at the next election, unless we, who are responsible for the government, take courageous and necessary measures. But I think those measures are forecast in the speech from the throne. I am proud to belong to a party with a leader such as the Hon. Lester B. Pearson.

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

An hon. Member: His time is up.

Mr. Marcoux: I should like to ask the hon. member which section of the election act provides that a candidate in a federal election must be at least 21 years of age?

Mr. Sauve: Mr. Speaker, there is a specific section on this, but I do not know which one. I think it is section 19 which provides that one must be a Canadian and 21 years of age, and—there are three requirements.

Mr. Marcoux: That applies in the case of an elector.

Mr. Sauve: No. In any case I shall bring you the document.

Mr. Speaker: Order. The hon. member's time has expired, so he cannot be asked questions.

Mr. Remi Paul (Berthier-Maskinonge-Delanaudiere): Mr. Speaker, it is my pleasant duty, first of all, to offer my sincere congratulations to the hon. member for Mount Royal (Mr. Macnaughton) who has been elected Speaker of the house. It is a great pleasure indeed since the Conservative party was the first to recognize the competence of the hon. member for Mount Royal when he was asked by the leader of the opposition in 1958 to become chairman of the public accounts committee. Fortunately, his party has now recognized his exceptional qualifications and ability. There is no doubt in our mind that he will discharge his responsibilities with tact, diplomacy and justice.

I also offer my sincere congratulations to the chairman of committees. I am sure that you will preside over our proceedings with the necessary diplomacy to ensure that the business of this house always takes into account the welfare of the Canadian people.

It is a tradition also to commend and congratulate the mover and seconder of the address in reply to the speech from the throne. I am pleased to offer my most sincere congratulations to the hon. member for Northumberland (Miss Jewett). She discharged her duty with charm and courtesy, but too much optimism because she will be faced soon with the hard reality after she has seen this government in action for a while.

As for the hon. member for Lotbiniere (Mr. Choquette), the hon. member for Îles-de-la-Madeleine (Mr. Sauve), mentioned that he had proven that youth did not rule out ability. It is a fact that the hon. member for Lotbiniere made a highly enthusiastic election speech full of wonderful assurance which probably indicates a brilliant political future. But he will have to abandon the party he now belongs to because otherwise, in the near future, we will say about him like we said about many other hon. friends who sat across the aisle: "He was only passing through parliament in Ottawa."

I am proud to express my appreciation to the voters in the riding of Berthier-Maskinonge-Delanaudiere for the confidence they showed in me when they renewed my term for a third time. I can give them the assurance that I shall continue to place my limited abilities at their service and try to discharge fully my responsibilities as a member of this house. Such responsibilities go beyond patronage and involve a sympathetic consideration of all needs, all problems, with a view to giving assistance where it is needed.

I have already described the geography of the riding of Berthier-Maskinonge-Delanaudiere in a speech I made, but I can assure you, Mr. Speaker, that its population is exceedingly clever as can be seen from the results of the last election held on April 8.

Some hon. Members: Oh, oh.

Mr. Paul: Our Socred friends did not seem to relish those results; let them not worry, for I will have a few words to say about them in a minute. The debate on the address in reply to the speech from the throne gives us an opportunity to deal with just about every subject, provided, however, that the discussion can be constructive, for one should not forget that the present government is a minority government.

Hon. members all remember the enthusiasm shown by the Prime Minister (Mr. Pearson)—and I take this opportunity to congratulate him for his recent appointment to the privy council of Her Majesty the Queen—when he said the day after the election of June 18, 1962:

> We must have an election.

The lust for power was the driving force behind him. It is interesting to read the comments made in this house by the then leader of the opposition on October 1, 1962. I believe that his words are still timely today. This is what we find at page 50 of official *Hansard*:

> The first business of this parliament once the formalities have been completed . . . must be to decide in accordance with our constitutional and democratic rights whether the minority government now in office has the confidence of this House of Commons.

Mr. Speaker, 41 per cent of voters voted for the Liberal party. Therefore, the government which is leading us presently does not have the confidence of the people. In fact, the Prime Minister made a statement in 1962 which can very well apply to the situation we have today. This is what he said:

> In the present circumstances, such a motion takes precedence over other business—

The Prime Minister of today was speaking of a non-confidence motion.

> —as it has done in the past in similar circumstances. For this purpose it is the duty and the privilege of the official opposition to move a motion which will make that decision possible. That duty is obvious. Indeed, it is inescapable, when nearly 63 per cent of the voters in this country have declared in the recent election that they have no confidence in this government, in its policies and in its leadership.

Mr. Speaker, I believe that there is nothing to be changed in this statement except that 61 per cent must be substituted for 63 per cent.

The then leader of the opposition went on to say:

> Will it help Canada if, by voting confidence in this minority government, we reject this verdict of the people, ignore the records, and deny the validity of positions previously taken, and declared by those who took them to be in the national interest? There can be no stability in government when over any substantial period the party in power cannot ordinarily command the majority in the House of Commons.

It was interesting to note the concern shown last night by the hon. members opposite. As a matter of fact, they were pale, which reminded me then of the words of Louis Veuillot: "Let us beware of pale faces". They were all nervous, because they remembered no doubt the statement made by their leader on October 1, 1962. But the present situation is a little more complicated and confused.

Mr. Speaker, until Good Friday of this year, the Canadian people were not sure which one of the two main parties would form the next government. But then came a turncoat movement, a sort of political osmosis, the sudden joining of six Social Crediters who were drawn to the Liberal party, either to protest their own interests, or from conviction, or for a sense of security, or for money, I know not what. But the present right hon. Prime Minister had such a lust for power that, on the very day that group of six joined forces with him—later, they had to withdraw—he hastened to express his satisfaction at getting the support brought to him by six Social Credit members.

Well, if the former Conservative government has been taken to task for remaining in power with the help of the Social Credit party, then I would say to my Liberal friends, have no fear, because you were lucky last night.

We hope that the members of the Social Credit party will be true to the statement they made during the election campaign, that is, not to be the servants of another political party, but to remain true to their mandate by working first of all for the welfare of the people, as every member of this house is duty bound to do.

Mr. Speaker, we noted a great contrast between the uncalled for interventions of the present Prime Minister, when he was leader of the opposition, last June, and the calm, the seriousness with which the present Leader of the Opposition (Mr. Diefenbaker) greeted the people of Canada, last April 21 and wished good luck to the new Liberal government, while assuring the people that the opposition would not systematically practice obstruction, as our hon. friends opposite did during the last parliament. That is why, last night, as a national issue was at stake, and not in order to indulge in a systematic opposition, but because we had, at this time, to take a stand on a question in accordance with the Conservative party policy, we did not fear to vote for the subamendment.

And, Mr. Speaker, it is difficult not to mention the lack of interest with which the members of the cabinet seem to listen to the speeches offering solutions to the problems discussed since the beginning of the debate on the address in reply to the speech from the throne. In fact, there is only one minister in the house this afternoon, while the members are dealing with various matters that might interest various departments. But I hope that the Postmaster General (Mr. Denis), who is at his desk right now, will let his fellow cabinet members know about the various recommendations, suggestions and criticisms that are made by the members.

Mr. Speaker, I wish to call the attention of the house to certain events, not unusual, but somewhat strange, that happened in my riding during the last election campaign. I want to tell you that following some calls that I made in my riding since last April 8, I found that some of my constituents felt that they had lost some of their independence.

How the Canadian people feel outside the limits of my riding, I cannot tell, but I can assure you, Mr. Speaker, that back home, in my constituency of Berthier-Maskinonge-Delanaudiere—and the Postmaster General (Mr. Denis), being a native of my riding, is quite familiar with that particular mentality —people are asking themselves whether the President of the United States or the Prime Minister of Canada is now governing our country.

Some hon. Members: Oh, oh.

Mr. Paul: I realize that does not please some of my friends. But, if I ask that question, Mr. Speaker, it is because in my riding, during the last election campaign, all possible means were used to gain a victory for the Liberal party, and to such an extent that, on voting day itself, American rather than Canadian five and ten dollar bills were distributed from the most generous Liberal coffers.

Some hon. Members: Oh, oh.

Mr. Paul: That surprises my friends.

Mr. Gregoire: It is true.

Mr. Paul: That will certainly be the only time I shall agree with the hon. member for Lapointe (Mr. Gregoire) during the present session.

Mr. Speaker, there has been a shameful patronage going on in the province of Quebec. Everything has been done to bring about the triumph of the Liberal party. There has been blackmail, individuals have been threatened with withdrawal of their welfare pensions and indigent mothers of their allowance, invalids saw their pensions threatened, and the same happened to farmers with regard to farm credit payments if the mother and father would vote or if the grown boys and girls did.

I think, Mr. Speaker, that I shall with great pride render tribute to the people of Berthier-Maskinonge-Delanaudiere, who remained unmoved by such threats and promises, who have proved to be above any immediate material gains, and remained faithful to the Conservative party, not because of him who is now speaking to you, but because the Conservative party advocates, and always will advocate political independence.

Indeed, Mr. Speaker, the Leader of the Opposition (Mr. Diefenbaker) said, on January 31, 1963, in this very House of Commons, as can be seen on page 3289 of the official record:

> It will, as always, honour its obligations. But it will not be pushed around or accept external domination or interference in the making of its decisions. Canada is determined to remain a firm ally, but that does not mean that she should be a satellite.

It is interesting to note developments in my riding since the Liberal gentlemen came into power. First of all, there is the matter of the Associated Textiles of Canada Limited. We can remember the distress and depression in which the textile industry had fallen when the Conservatives took over in June 1957. The employees of that industry were facing chronic unemployment; working hours had fallen to 30 or 35 a week; there was overproduction. The minister of finance and the minister of trade and commerce of the day worked together in order to improve that national production and find markets for it, and so successfully that the chairman of the manufacturing branch of the Associated Textiles of Canada Limited sent a letter to all the workers in that plant, dated December 18, 1962, in which he said:

> In the year that is drawing to a close activity in the textile industry in Canada increased considerably. This is mainly due to the changes made in the value of the Canadian dollar, and to the higher tariff wall designed to protect goods manufactured in this country, which brought about a decrease of imports, while a great number of Canadian workers in the textile industry are now benefiting from this increase in production.

That was on December 18, 1962. And I hope that my hon. friends opposite will not attribute a political character to that document, as it preceded the last federal election by nearly four months. But, oddly enough, the situation is deteriorating to the point that on May 3 last, the company had to dismiss 75 employees in its textile industry at Louiseville and the same thing is happening in St. Gabriel de Brandon and Berthierville. We have good reason to ask what new life the present government has given to the textile industry. What steps have they taken, upon assuming power, that have so paralysed that important industry of the province of Quebec.

That is not all. In my home town, Louiseville, there is another industry, the Laminated Structures Company Limited. Every spring that company used to increase its staff and, in May, it had something like 150 to 175 employees. This year, on May 3 last, the company had to fire 29 workers. How can you explain such a situation? How is it that several labourers or tradesmen like bricklayers, plasterers, carpenters and electricians can no longer find work in Montreal, a situation which has not occurred in the past five years. That has happened in the last two or three weeks, or in the past month.

[Mr. Paul.]

But what measures does the government intend to take to get the Canadian production and economy moving? We shall come to that in a moment.

But there is another much more serious question and that is the intolerable lot imposed on the eastern farmers in the province of Quebec and in the Berthier-Maskinonge-Delanaudiere riding by the new Liberal government. This afternoon, we heard the new Minister of Agriculture (Mr. Hays), with an inexplicable candour, state that the 25 cents subsidy per 100 pounds of milk would not be paid out anymore and that this meant a saving of $6 million for the taxpayers. Let the Liberals go and explain that statement by the Minister of Agriculture in the province of Quebec where they travelled around during the last election making believe that the Liberal party would stimulate agriculture. And what about imports of American pork arriving in Montreal by truck loads and car loads to such a point that nowadays, the farmer is not getting the price he was receiving under the Conservative administration. Is that Liberal stability?

I think some measures are necessary to cope with the situation which is becoming alarming not only for labourers, but also for textile workers and farmers. I do not intend to dwell any longer on this matter of agriculture. I know that the hon. member for Nicolet-Yamaska (Mr. Vincent) will discuss the matter in a much more capable manner than I could.

Now let us take a look at the speech from the throne—which is supposed to be the corner stone of the legislation to be introduced by the government. There are some excellent measures in the speech from the throne but others are dangerous.

First of all there is the establishment of a royal commission on bilingualism and biculturalism. That measure is excellent. It has been a must for a very long time and I should commend the government for having understood a problem which transcends the interests of political parties because it involves the very future of confederation and the peaceful co-existence of English speaking Canadians and French speaking Canadians throughout Canada.

The former administration under the present leader of the official opposition also had an excellent idea, that of a federal-provincial conference. In my opinion, Mr.

Speaker, we should not put that idea aside because if we want Canada to be a bilingual country, we must go to the very heart of the problem which is a problem of education. And since education is a provincial matter under the constitution, the provinces must subscribe to the principle of bilingual education right across the country if our youth is to grow up with such a mental attitude and culture, so that when they attain maturity they may continue to practice bilingualism and biculturalism which are so necessary to the greatness and prosperity of Canada and particularly to the survival of this Canadian confederation. This matter supersedes political interests, as the hon. member for Îles-de-la-Madeleine (Mr. Sauve) stated a moment ago. One must not ignore all that has been accomplished in the past, because governments have always been half aware of this fact. The Liberals have adopted measures which have been satisfactory to French Canadians and so have the Conservatives with measures which have been called "mere concessions" and I am not using these words lightly when I say "mere concessions". We are not Canadian citizens who want more than others. We only want to be treated like the English speaking citizens.

And I would remind the Anglo-Saxon Canadians that the French Canadians were never vanquished on the Plains of Abraham, in Quebec city. They were just defeated. There is a difference. Yes. We kept our civil code, our courts of justice. We had, at that time, aspirations and rights that were recognized by various measures, constitutional or otherwise. But those measures were defined in and sanctioned by an act called the British North America Act, after meetings held in Charlottetown and Quebec city, in order to treat with fairness and equity those two great pioneer nations of Canada. Well, we have no right today to remain unconcerned regarding this serious problem of biculturalism and bilingualism. We must consider a situation which has become alarming and, unfortunately, can have dire consequences for the future of the Canadian confederation.

Personally, I am in favour of calling together the French Canadian states general. I support the measure passed last week in the legislative assembly of Quebec, both by the Liberals and the National Union party, so that that meeting can enable French Canadians to become conscious of an actual situation, study steps and means to correct it, participate in the drafting of briefs to be submitted later to the commission set up by the present government. Let us hope that it will be possible later on to call a federal-provincial conference to facilitate the solution of that problem, as I said earlier, not to give special treatment to French Canadians, but so that they may be treated as equal partners who have fought, worked and suffered for the greatness and prosperity of the whole of Canada.

Mr. Deputy Speaker: Order. I am sorry to interrupt the hon. member, but his time has expired.

(Text):

Mr. Grant Deachman (Vancouver Quadra): Mr. Speaker, I join the many voices in this house that have offered their congratulations and their good wishes to you on your election to this historic chair which Speaker James Cockburn first took in the old House of Commons to open the session of 1867 about 96 years ago. I join too with many other members in congratulating the Prime Minister (Mr. Pearson) and the members of his cabinet on their appointments and wish them success in the great task which they have undertaken.

I was touched by the eloquent words of the mover (Miss Jewett) of the address in reply to the speech from the throne as she described the beautiful villages and the fertile valleys of her own Northumberland, and I wondered as I listened how I would be received in this house when I came to describe how my own constituency of Vancouver Quadra lies between 16th avenue on the one hand and 37th avenue on the other. I admired too the brief and cogent words of the seconder (Mr. Choquette) of the address in reply to the speech from the throne and I congratulate him upon setting an excellent precedent for the new members of this house to follow.

I wish to say a few words about my distinguished opponent in the past election. Few persons in Canadian public life have achieved such a reputation as the Hon. Howard Green for unswerving loyalty and integrity. He first entered the house in 1935, the same year as my late father, who entered parliament in that year as the Liberal member for North Huron. He reminded me of this on election night when the battle was over and he came to our committee rooms and told us that if he had to be defeated he preferred to be defeated by the son of a man whom he had personally known and had respected in this house. I am sure, Mr. Speaker, that hon. members on this side of the house will grant me a few moments

to salute this great Canadian, soldier and parliamentarian, who served his country for a lifetime, as few are given to serve it, in war and peace.

I deem it a high honour to follow him as the second member of parliament to be elected for Vancouver Quadra and the first to serve it as a member of the Liberal party. I return to this beautiful city of Ottawa after an absence of over 20 years during which I have seen it only fleetingly. Not much has changed. There was a May blizzard terrifying the tulips when I arrived, but the next day the sun blazed and the whole city was defrosted in a few hours. The old pavement along Rideau street is still the same and it jarred my memory and my spine. But the new government buildings, the tall apartment buildings and the burgeoning suburbs around the periphery of Ottawa reminded me that this capital has kept pace year by year with the growth of the nation.

I was astonished a little to see the new art gallery which looks like our post office in Vancouver. I remember that a distinguished visitor from this city to Vancouver told us on one occasion that we should put a slipcover over our post office. Here in Ottawa the quiet, old, stone convents, shuttered and curtained, the green patina of copper roofs and the gingerbread topping on the old east block still link us with our historic past and with the city of Laurier.

On the coast, and I know I will be understood by easterners who come from the "island" or from the "bay" if I just refer to it as the coast, we have no long history. In 1842 Henry Goulburn, British chancellor of the exchequer, said:

> These territories are bounded by frost and wrapped in fog, and woe betide any unfortunate individual who might be so far diverted from the path of prudence to settle in these parts.

But by 1908 Rudyard Kipling had come by. He thought a little better of it and said:

> Such a land is good for an energetic man. It is also not so bad for a loafer.

Not very long ago I met Greg Clark in Victoria and he said to me:

> Anybody who can live on the coast and doesn't is an idiot.

So we are improving.

The constituency which I have the honour to serve was named after two gallant seamen, Captain Vancouver, who first mapped the inland waters of the coast and whose maps were so very good that they are still in use in parts today, and Admiral Quadra, a Spanish sailor who knew those waters in the days when the coast was claimed by Spain.

There are no great factories, office buildings, forests or farms in my constituency. It lies in the heart of residential Vancouver and is the home of many men and women who daily earn their living in the city.

The University of British Columbia, which now enrolls 13,000 students in its degree courses and instructs almost as many more in its post-graduate and summer courses, is located in Vancouver Quadra. On a spacious promontory overlooking the sea it faces on the west towards the strait of Georgia and the waters of the Pacific, and on the north and east towards the coastal mountains, rising dramatically and abruptly from the sea to heights of 5,000 feet. We make no boast when we say there is no other university in the world more beautifully situated than this.

Millions of dollars of provincial money and private contributions are involved in the building program now under way at our university. Funds from the Canada Council have also contributed to the extension of the library, the building of dormitories and the construction of the new fine arts theatre and centre, which is now reaching completion on that campus to make it one of the finest in north America. Central Mortgage and Housing Corporation loans also assist in dormitory construction, so that the federal government has a considerable role in the improvement of that university.

It is in the field of operating costs that universities find their greatest troubles. There seems to be ample desire to build buildings, provide equipment, grant scholarships and bursaries and finance research projects. But no one, provincial or federal, private or public, has any real enthusiasm for paying the operating costs. How to pay for the daily operating charges of universities is becoming an acute provincial problem and one in which the federal government must find ways to play an increasingly important part, if our universities are to expand in keeping with the expansion of the country.

A military district headquarters is located in Vancouver Quadra. The Department of National Defence keeps a faultlessly neat establishment there and its military personnel are good neighbours. But it is situated on a choice beach property which impedes the development of Vancouver's scenic Marine drive and public beaches. Proud as we are of this establishment and the fine Canadian soldiers who operate it, we residents of Vancouver look to the day, not too distant I hope, when this property can be released for the completion of the parks and drives and beaches which will make the littoral of English bay one of the finest anywhere.

I believe I sensed last night that there are more vital issues than this pressing the Minister of National Defence. But I can assure

him that there is none which he could solve more easily and which would give him more pleasure in doing it.

There is one other federal institute of size in Vancouver Quadra. Shaughnessy military hospital, with a thousand beds, is one of the great general hospitals in Canada built to serve our veterans. At one time its beds were filled with veterans undergoing treatment for service wounds and disabilities. Its patients were young. The hospital's cases were acute. The staff doctors who walked its corridors were the best of the civilian specialists in the city of Vancouver. Nowhere in Canada could a man obtain more superlative treatment and care than in Shaughnessy.

Today, circumstances have changed. Service wounds and disabilities form only a small fraction of present cases. Many beds are filled with aging veterans. They present problems of chronic care, and single patients tend to occupy beds for periods of weeks and even months. The specialists who gave Shaughnessy its enviable reputation have tended to drift away. So have many of the acute, non-service cases which formerly were treated there.

Thus, a magnificent general hospital of 1,000 beds, which would cost $20,000 to $25,000 a bed to build today, has become, for the greater part, an institute for the terminal care of the aged. We owe such care to our aging veterans, Mr. Speaker, but is it necessary that chronic care be administered in the highest priced, best equipped, most modern general hospital beds in the land?

As medicare plans are developed, the number of acute hospital cases will rise simply because people will be given the opportunity for the first time to obtain long deferred elective treatment. Existing general beds will, in all probability, not be able to accommodate the flood of new cases.

The time is not too far distant when we must find the means to accommodate our aging veterans in adequate, but in less expensive quarters, and release these costly beds for the care of acute general cases in medicine and surgery.

These, then, are the institutions in my riding most affected by federal policy. But its people, many of whom are the business, industrial, cultural and civic leaders of the coast, are interested in all matters affecting the economy and welfare of British Columbia and, in fact, of Canada. In particular they are interested in its trade because we in British Columbia are a trading people.

In 1961 the value of all exports through B.C. custom ports was almost $1 billion, out of total national exports of approximately $6 billion. In the same year, 1961, the population of British Columbia was 1,630,000 out of the total Canadian population of 18,240,000, so that with less than 9 per cent of the population, British Columbia accounted for more than 17 per cent of the value of Canada's export trade.

At the same time imports into British Columbia from commonwealth, United States and foreign countries are estimated to run in current years at roughly half the level of our exports. In other words British Columbia today is a net exporter on behalf of the whole of Canada of approximately half a billion dollars of goods a year. In the five year period 1956 to 1960 exports from B.C. exceeded imports into the province, for consumption locally, by approximately $1,400,000. While exports of grain to red China have accounted for a substantial portion of this total in recent years, it must be remembered that British Columbia is a producer of 70 per cent of Canada's sawn lumber, 12 per cent of its pulpwood and approximately 80 per cent of its plywood, virtually all of which is produced for the export trade. In addition, of course, we are major exporters of minerals, metals, natural gas, fish, agricultural products, and so on. Shipping is a major industry up and down the coast of British Columbia and between Canada and the United States in its coastal waters. The aviation industry connects us with the far east, with Australasia and across the world into Europe, and southward to South America. Aviation is the second largest secondary industry in the whole of British Columbia, and one of great importance to us on the coast in providing connections on short hops throughout the whole of British Columbia's indented and serrated coast.

I hope, therefore, as my knowledge and experience grows in these matters, to take a larger part in the debates in this house and in the work of its committees, so that I may make some worthy contribution to public affairs while I am a member of parliament.

Mr. Robert C. Coates (Cumberland): Mr. Speaker, it is a pleasure to be taking part in this debate. I should like first of all to offer my congratulations to the hon. member for Vancouver Quadra (Mr. Deachman) on his maiden speech in the House of Commons. I can assure him that they come easier as you make them, and no doubt, in view of the ability he displayed today, he will make more as time goes on and will do very well. I should also like to compliment him for his very fine remarks about the former member for Vancouver Quadra, the Hon. Howard Green, who was a wonderful man and a wonderful friend to members of parliament on both sides of the house. He made a

tremendous contribution to Canada. All Canadians should feel proud of him for the contribution he made.

Mr. Speaker, I should like to congratulate you, the chairman of committees of the whole house and the deputy chairman, who comes from the Atlantic provinces, upon your appointment. I look forward to your work, which I know will be impartial and on the fairest possible basis. Let us hope that we work well together and have an effective and efficient parliament. I should also like to offer my congratulations to the mover and the seconder of the address in reply to the speech from the throne.

Mr. Speaker, my first remarks must be directed to one section of the speech from the throne with regard to the Atlantic development board. This section reads as follows:

> Amendments to the Atlantic Development Board Act will be proposed, to strengthen the board and to provide for a capital assistance fund through which it can promote basic projects in the Atlantic region.

Mr. Speaker, I say that I must first direct my remarks to that particular section because it is the only section in the speech from the throne that has any special application to the Atlantic provinces.

Mr. Pickersgill: What about the trans-Canada highway?

Mr. Coates: What about the trans-Canada highway? You are not doing anything for the Atlantic provinces; you are not doing something for everybody in Canada. Mr. Speaker, from what I have seen on the order paper in the way of resolutions which will amend the Atlantic development board it is obvious that the Liberal government of today have informed the people of the Atlantic area that they are going to provide them with the most expensive funeral the Atlantic provinces have ever seen. They have even informed us that they are going to provide six Grit pall bearers to go with it. What are they going to do for us? They are going to give us $100 million. Well, isn't that wonderful. They are going to give it to us over a six year period. They are going to amend the board so they can get six Grits on there in order to eliminate the worry about the five present members. That must be the very logical and obvious reason for the appointment of these people. Yes, they are going to change it. They are going to kill it. They have put into the resolution the date it is going to die. They have provided its obituary. This is the great promise made to our people by this Liberal government of today. Mr. Speaker, as time goes on and the people of the Atlantic provinces will have an opportunity to look the Liberal candidates in the face again and assess what they have done, they will be sure they were led down the garden path by this Liberal government and will do something to change it.

What do these amendments mean, Mr. Speaker? To me, as one who played an active part in making the Atlantic development board a reality, I see them as a pay-off to the Atlantic provinces in order that we can be forgotten for as long as the Liberal party again remains in power.

An hon. Member: Another 22 years.

Mr. Coates: It will not be 22 years this time. They will be lucky if it is two. On that basis it would not be a bad pay-off.

Mr. Fisher: What about Newfoundland?

Mr. Coates: The Secretary of State (Mr. Pickersgill) says that Mr. Smallwood has given us all he can, and he has not as yet given them much back. He will have to do better than that or he will probably be looking to another part of Canada for a seat.

Mr. Winkler: That would not surprise anybody.

Mr. Churchill: Don't send him back to Manitoba.

Mr. Pickersgill: Are you frightened?

Mr. Churchill: No, I am not. Come and run against me.

Mr. Coates: I do not think anybody else wants him either. Let us look at this development fund realistically. Let us see exactly what it gives us. The resolution says we will be given $100 million over a period of six years. Well, there are four provinces down there, in case the Secretary of State does not know. There are four provinces between which this $100 million has to be divided over a period of six years. It does not even come near the Atlantic adjustment grants. We were good enough, when we came into office, to recognize the problems of the Atlantic area and we did something about them. We immediately provided $100 million in special grants, with no attachments, no special board, no set up such as will be the case with this government, bringing six Grits in to look after the five appointees who are already there. There was nothing like that. We did not say to the Liberal government in Newfoundland, "You cannot have the money because you are a Liberal government". We distributed the money and let them work out the manner in which it should be distributed within the four provinces.

Very well; they will give us $100 million over a six year period, and they say, "We are going to kill the board. We are going to bury it on January 24, 1969." What right has this government to say they are going to bury the

board in 1969? Do they think they are going to be here in 1969? If they do, it will not be the votes from the Atlantic provinces that will keep them in office. What constitutional right has this government to say that the board is going to die in 1969? It is certainly well beyond the scope of this parliament even if it were to continue for five years. No, there is little hope for the Atlantic provinces in the amendments as they appear in the speech from the throne and on the order paper.

I should like to quote from an editorial which has something to say about a fund for the Atlantic development board. It appeared in the *Daily Gleaner* of January 25, 1963. The title of the editorial is "On to Prosperity"—it was referring to the Atlantic provinces, and had this to say:

> It would be both unrealistic and self-defeating to bind the Atlantic development board with a fixed fund. Such a fund would at once prove inadequate. We need massive developments in this region, and massive developments call for massive investments. A single project could deplete the fund.

Perhaps I could digress here for a moment to point out that the Prince Edward Island causeway project alone would cost more than $100 millions.

An hon. Member: What happened to it?

Mr. Coates: I don't know what will happen to it now, with you people over there. I know what would have happened to it had we been there. We would have built it. Certainly, the Atlantic development board is not going to build it. Come to that, it is not going to do anything about the Chignecto complex either, because the dams alone would cost $350 millions.

To continue:

> A single project could deplete the fund and leave our other requirements exactly where they are now—on the shelf or drawing board.

That is where most of them sat when the Liberal government was in power earlier.

> Moreover, curbed by a fixed fund, the Atlantic development board would be unable to judge between the urgent needs of the separate provinces. It would be put in the untenable position of having to decide, for example, whether a specific New Brunswick project was more urgent than one for Nova Scotia.
>
> The Atlantic development board is just what its name implies. It is an agency concerned solely with the development of the Atlantic provinces. It has no funds to spend. It is no super-government, no intercessor between federal and provincial administrations, no buffer between Ottawa and the just demands of the region. Its objective is to raise the standards of living in the Atlantic provinces, and bring them to parity with the rest of the nation. And, in this, it has the blessing and the support of the government of Canada which created it and which is now putting it to work.

Well, it is not going to have much money with which to do this work if the amendments which are proposed are passed by this house. Let us hope the government comes to its senses and removes the amendment with regard to the date of its death, and makes that $100 millions into a billion dollars—a realistic sum in comparison with the needs of our area.

Let me read another editorial. This one appeared in the *Daily Gleaner* on May 17, 1963, and it also had application to this subject. The heading is "The Battle-Cry"—an allusion to the twenty sixth parliament. It says:

> Jobs for maritimers should be the battle-cry of Canada's twenty sixth parliament. No conscientious parliamentarian who reads the latest unemployment statistics can miss the shocking discrepancy between job opportunity in this region and the rest of Canada.
>
> To be sure, unemployment here dipped from 15.3 per cent in mid-March to 14.1 per cent in mid-April. But that was a national trend. The fact remains that this 14.1 per cent when compared with the 6.4 per cent representative of the other six provinces is a sobering indictment of a country that enjoys relative prosperity in its central and western areas and permits out-and-out depression in its eastern extremity.
>
> But statistics are cold and insensate things. The hard fact is that the 82,000 people in the Atlantic provinces without jobs face the humiliation of charity and the dole, their immense productive capacity lost to the region and to Canada, their support a drain on the resources of those fortunate enough to have jobs. In the national interest, the new government in Ottawa should not be long in facing up to this fearful problem.

What were our people told during the election campaign when they were asked to vote for this Liberal party, this Liberal government of today which has all the answers? At least, they said they had all the answers. What is their answer to these 82,000 people who are unemployed? An expensive dismissal of the Atlantic development board? Is that their answer?

I have in my hand an advertisement put out by the gentleman who ran against me as Liberal candidate during the election campaign. Here is what he had to say:

> The Liberal "Hundred Day Crash" program. This is a plan designed to create new jobs quickly.

An hon. Member: Wasn't he operating on the 60-day deal?

Mr. Coates: I gather he had extended it by 40 days. Anyway, he said a Liberal government would put this crash program into effect immediately after May 5. May 5—that is a long time ago, now. I have not heard anything about this 100-day crash program. Maybe it got lost in these 60 days of decision. I don't know what happened to it; I have heard nothing about it. The government have been making a few decisions it is true, mostly connected with doing something about the unemployment situation by appointing their friends to the various boards they are bringing into existence. Perhaps this is the way in which they intend to eliminate this unemployment

problem—by setting up government boards, making bureaucracy the order of the day and placing enough people on these boards to cure unemployment. Well, the advertisement continued:

In areas of high unemployment as in Cumberland special measures will be taken.

I do not know of any special measures that have been taken yet.

There will be—

1. Grants to establish new industries.

I have not heard of anyone in Cumberland county getting any yet, and 17 days have passed since May 5.

2. Special tax incentives to expand present industries and for new industries.

I have not heard of anything being done yet.

3. Special industrial loans at low interest.

I have not heard anything of this either.

An hon. Member: Coming.

Mr. Coates: Coming? How long do we have to wait? We are 17 days late now. May 5 is the date he gives here. Of course, he was very clever. He did not say whether it was 1963 or 1983; I suppose that is the loophole. There must be a loophole.

No, Mr. Speaker. These have been very disappointing days for the people of the Atlantic provinces, these days of decision by the Liberal government, and if the speech from the throne is any example of what we have to look forward to in the future there will continue to be disappointing days.

What about agriculture? This is an important subject for the people of the Atlantic provinces. There are some significant statements about agriculture in the speech from the throne. The party opposite pay what is probably the greatest tribute to my hon. friend from Qu'Appelle (Mr. Hamilton) that any party could pay to a single individual. They say it takes three Grits to do the job of one Conservative cabinet minister. They are to have a two-headed department and they have given back the wheat board to the Minister of Trade and Commerce (Mr. Sharp). I am not sure whether they do not trust the present ministers with the wheat board or whether they think they are not fully competent to deal with the selling aspect of our products. I do not know why they decided to shift this responsibility back from where it would logically seem to belong and where we got results. Where are they going to build this iron curtain? What part of Canada is one minister to look after and what will be the responsibilty of the other? Is there a place somewhere in the constituency of the hon. member for Port Arthur (Mr. Fisher) where they can arrange to have this curtain built so that the eastern minister cannot go beyond it in one direction and the western minister cannot go beyond it in another. Is this the scheme? Are the dairy farmers of eastern Canada going to be told: You are a dairy farmer in eastern Canada. It does not make any difference what is done for the western dairy farmer, but things will be done differently for the eastern farmer. Or is the complete absence of anything about agricultural policy in the speech from the throne an indication that the government has no agricultural policy at all?

An hon. Member: That is right.

Mr. Coates: I am afraid that is right. What is happening to agriculture in this country? I read in *Macleans* magazine where the Prime Minister's wife was very upset with the farmers of western Canada. She said they were dirty dogs because they did not vote Liberal. I suppose this is a way of punishing the farmers of western Canada for not voting Liberal. Is the government going to cut them off? Are they to look forward to receiving nothing by way of agricultural assistance because they happened to have a different attitude than the Liberals about the sale of wheat, or the lack of sales of wheat? I am very mixed up about this agricultural program since the Liberals have come into power, and I afraid that the agricultural people in this country are also mixed up. I should like to have some clarification from the government. We keep asking questions of the Minister of Agriculture (Mr. Hays) each and every day in this house, but we do not seem to get much further. He is more mixed up than we are. What is going on? It must be very upsetting, having had such a stable industry in this field for the last five years, to see what is happening to it today. In the remaining days of decision there is a lot we are going to have to find out from the party which has all the answers. The people of Canada are also going to have to find out a lot before they can have any confidence in what has been going on today. I asked the Minister of Agriculture a question today. I asked him what he was going to do about the price of feed grains for eastern farmers. He said that the matter was under consideration. It is nice to hear that the matter is under consideration by gentlemen with all the answers in these days of decision. It is nice to know that we were indecisive and that they are men of decision. Because what in effect has happened is that they have not made up their minds about something we had already decided to make into law.

Mr. Speaker, I have an article in front of me which appeared in the Amherst *Daily News* of January 24, 1963.

An hon. Member: Where is Amherst?

Mr. Coates: Mr. Speaker, the present Prime Minister made a speech in the town of Amherst, but you would get a better appreciation of the town of Amherst if the Grits had never gone there.

Mr. Churchill: Has he ever gone back?

Mr. Coates: No, he has not. He apparently thought it a waste of time coming to Amherst. He did come in 1961 and some of his supporters went around my constituency for eight or nine months, but it didn't seem to help them very much.

When the former minister of agriculture went to Windsor, Ontario, on January 24 last, the Canadian Press headlined him as saying that maritime and Quebec farmers would be first in line for federal help. Here is part of what he said:

> Part of federal policy would be made public during the present session of parliament, he said, with the introduction of a feed grain and assistance bill to try to achieve stability of feed grain supply to eastern farmers, equalization of price, stability of price and "protection of the interests of eastern producers of feed grain".

Well, let us hope that before these 60 days are out the new Liberal government will get as far as we got on January 24 last. They still have a long way to go even though they have all the answers. The only answers we seem to be able to get today are that they are thinking about it, that they are considering it, or that they will take it as notice. As far as indecision is concerned, they are past masters at that.

Now I want to turn to another subject very important to all Canadians, namely what is going to be done by the government to see that we get the proper type of segregation at the earliest possible date of inmates in our penal institutions. People in this country are pretty disturbed about the recent riots which took place in many institutions. The Minister of Justice (Mr. Chevrier) has stated that he is going to step up the program. I should just like to point out that if the former Conservative government had not been elected in 1957, there would not even be a program to step up. Mr. Speaker, let me give you some figures to back up this statement. In 1951-52 the estimates for that year showed that $1.8 million was spent by the penitentiaries branch of the Department of Justice on construction, improvement and equipment of our penal institutions. In 1952-53 $1.5 million was spent. In 1953-1954 $1.4 million was spent. In 1954-55 $1.6 million was spent. In 1955-56 $1.7 million was spent. In 1956-57 $1.7 million was spent. Now, that is hardly any indication that anything very significant was happening in the Department of Justice with regard to inmates or institutions, or that there was any great improvement in old, or construction of new institutions to look after the increasing number of inmates.

In 1957 the Hon. E. Davie Fulton became minister of justice, and from that date forward we had one of the most progressive penal and correctional programs in the country, or as far as I am concerned in the world. To give an example of just how different the approach was from 1957 until we left office, the estimates show that in 1957-58 $1.3 million was spent, which I agree does not indicate any significant change. But in 1958-59 $4.3 million was spent. In 1959-60 $6.6 million was spent. In 1960-61 $3.8 million was spent. In 1961-62 $6.7 million was spent; and the estimated expenditure for 1962-63 was $11,813,000. With the expenditure of these funds we saw two new large institutions built in Canada. In 1959 Joyceville was opened, and in 1961 the Leclerc institution in Quebec was opened. Since 1959 there have been 15 new minimum-security institutions constructed in this country, one of them in my constituency. This is an example of the progressive penal program instituted by the former government. If this government in its days of decision will move forward and get new institutions constructed, and expand the old institutions and segregate the inmates, we will have less of a problem in this country in our penitentiaries than is apparent today. But they have to get a move on.

I was very pleased to note that the Minister of Labour recently announced that the institution, which it was forecast would be built at Springhill, will be built. This is probably a very good thing not only for the economy of Cumberland but for the penal situation that is developing in the Atlantic provinces. The Dorchester penitentiary is overcrowded and has been overcrowded for some time. We have constructed three minimum security institutions in the maritime provinces, one at Springhill, one at Dorchester and one at Blue Mountain. We still need a young offenders' institution, one which will allow us to take the young men who have a chance of rehabilitation out of the maximum security institution at Dorchester and place them in a separate institution where we can work with them to make better citizens of them.

The Minister of Labour stated that construction of the young offenders' institution at Springhill would be commenced in the fall. In view of the situation that is very apparent at St. Vincent de Paul, at New Westminster and other places, I would urge him to try to step up this program, to try

to get it under way as soon as possible. Certainly, we should be able to get a site clearing program under way immediately. The land has been purchased and that portion of it which has not been purchased is to be expropriated so there is no reason for not starting immediately on site clearing. Perhaps we could have the site prepared so that construction of the institution could take place as soon as the architects have prepared the plan.

I hope the government will look at this program again to determine if they cannot undertake construction of that young offenders' institution in Springhill at an earlier date.

Mr. Deputy Speaker: Order. I am sorry to interrupt the hon. gentleman but I must inform him that his time has expired.

Mr. S. Perry Ryan (Spadina): Mr. Speaker, the words of the leaders of the parties concerning their personal esteem for you are, I am sure, shared by all who know you. To the many sincere congratulations you have already received upon your appointment as Speaker, I should like to add my own. I should like also to congratulate the hon. member for Stormont (Mr. Lamoureux) upon his appointment as Deputy Speaker of this house. I am certain the house will be well served both by yourself, Mr. Speaker, and your clear spoken bilingual deputy from Ontario. I should like also to congratulate the hon. members on this side of the house who moved and seconded the address in reply. They are a credit to their constituencies and to this party. Everywhere in this country, women as well as men, are today voicing their pride in the performance in this house of the hon. and charming member for Northumberland (Miss Jewett).

As the member for Spadina, Mr. Speaker, the most cosmopolitan riding in Canada, I should like to say a word of tribute at the outset to the former member for Spadina, Mr. Charles Ted Rea, who has been seriously ill and has recovered to a limited extent only. I know from meeting many people in my riding and from meeting members here who knew him, particularly members on the opposite side, that he is a well liked and respected man. He was the able deputy of committees in the twenty fourth parliament, when he suffered a stroke. He made a decision against his own interests that he could not in fairness stand for re-election. On your behalf, and on my own, I wish him well.

Mr. Rea was first elected in Spadina in a by-election in 1955 after Colonel David Croll resigned his seat. Colonel Croll, of course, was elevated to the Senate. Senator Croll, as you know, is equally as active in the Senate as he was in the house. As the Liberal senator for Spadina, he continues to bring honour to my constituency. As a speaker in demand during the last election campaign, Senator Croll's activities were the toast of this party and the scourge of the opposition. I am pleased to follow both of these fine men and I hope to emulate their good work.

My riding is one of the central ones in the city of Toronto. It is known for its infinite variety of nationality, race and creed, as well as for its extremes of wealth and poverty. Particularly since the last war the southern part has been a reception area for landed immigrants from different nations. Succeeding groups settle closely together under crowded housing conditions and then, as they adjust themselves, tend to settle throughout the metropolitan area. However, each group always seems to leave at least a small core behind, and this gives the business streets of Spadina, particularly the famous Kensington market a distinct international flavour. Symbolic of this is the widespread use of the espresso coffee percolator.

There are more than the usual number of retail and wholesale stores, the best known one being the ecstatic establishment of that prince of discounters, Honest Ed. There are many multistoried manufacturing plants in the southern industrial area of the riding, large railway yards and a new expressway. Spadina avenue itself is still the Ontario centre of the garment industry and great numbers from both within and without the riding are employed in the needle trades, usually on a piecework basis.

Although the work of making cloth, fur coats and other articles of wearing apparel is wonderfully satisfying, it is a trade that has a high, early lay-off rate as aging fingers become less and less nimble. There is some need, therefore, to plan and carry out retraining of not only the unemployed but also of those who may become so.

Spadina is bounded on the north by the south limit of Forest Hill village and on the south by the waterfront of lake Ontario. It includes Toronto island. Although the map of Spadina resembles a Christmas stocking, all within its boundaries is not always Christmasy.

The main problem is lack of sufficient steady work, both for willing immigrants and for willing Canadians from depressed areas who migrate to Toronto. For Spadina, the loans and grants of the municipal development and loan board to the city of Toronto, with the approval of the province, should prove to be a godsend. It is true that there are many existing statutes offering aid to municipalities, but they mostly require a sharing agreement between the three levels

of government and pertain to one class or object of construction, or else have a higher interest rate. The existing aids are not used as often as they might be because municipalities are unwilling to take the initiative in fields selected by the federal government. In the main, they found that if they did go ahead the construction program often created an accompanying problem. Now, under the proposed legislation municipalities will be able to pick their own projects, obtain the necessary loan or grant and proceed on their own plan. Thus, subways, clearances, redevelopments, public housing, sewers and water works projects, together with other urban and suburban service renewals should be eligible, under this proposed plan, for low interest loans.

The central part of my riding is densely populated. Many are not yet citizens. Some are political refugees who hide acute feelings but who struggle and succeed in this strange but wonderful new land. Those who acquire the language quickly are the happiest and usually the most successful. Many have brought new skills with them to Canada and have made new fortunes in a surprisingly short time.

Unless she goes to business, the wife of an immigrant has great difficulty in learning English. She longs for her native land and occasionally becomes so homesick that she and her whole family will return; but most desire to remain to provide their children with the great opportunities that they readily see this country affords.

There are an unusual number of well attended churches and synagogues in my riding and, of course, the famous Scott mission with its sad lineups of hungry men stretching along the sidewalks of Spadina avenue. Another structure well known to the unemployed is the ancient unemployment insurance commission office on Spadina avenue, where men and women ride up and down in rickety elevators and stand in line for hours and hours. They hope, as I do, for increased benefits, less waiting and less need to be there.

Other buildings of note are Casa Loma, perched in the north end on the shore line of ancient glacial lake Iroquois, the Primrose club on St. Clair avenue west, the medical arts building on Bloor street west, the Toronto reference library on College street, the Toronto Western hospital on Bathurst street and the fine new publishing plant of the evening *Telegram* on Front street west, designed specifically to be heated by a new and independent principle to complement, no doubt, its new, independent policy. While I am on the subject of the evening *Telegram*, let me add a compliment for the good sportsmanship of its publisher after the hard battle in June of 1962.

Mr. Pickersgill: And his good sense.

Mr. Aiken: When you can't beat 'em, join 'em.

Mr. Ryan: Well, he used his head in any event. We have some lovely high-rise apartments in the riding which are replacing many grand old homes that are now too hard to carry even as guest homes. The University of Toronto has expropriated many blocks of houses and stores west of St. George street—I know many of you know Toronto very well—torn them down and already erected several fine new university buildings.

The Toronto islands boast of the Royal Canadian and Island yacht clubs, an airport, a beautiful municipal park and many year-round homes built on lands leased from the city on Ward's, Algonquin and Centre islands.

The islands are at present reached by ferries from the foot of Bay street. These are a pleasant means of transportation in the summertime but in this day and age they are somewhat anachronistic. Certainly they are slow and costly to maintain. A tunnel or other satisfactory modern means of access to these islands is badly needed, particularly to give the working man and his family access to a delightfully restful place where they can go in their leisure time at little expense. Indeed, a former federal government had at one time planned to provide such a tunnel at its entire expense but it was prevented from doing so when it met the same fate as did the last government a few weeks ago.

Responsibility for access to these islands should again be recognized, I submit, as primarily the responsibility of the federal government because the dredging of the eastern and western channels prevents the islands from becoming naturally accessible by fill sands drifting from Scarborough bluffs. The beds of both channels lead into Toronto harbour. As most hon. members probably well know, these beds and the bed of the harbour are federal property.

Since the opening of the seaway colourful ships from all over the world enter Toronto harbour, usually by the western channel or western gap as it is more familiarly called. Lightly loaded or shallow draught vessels usually leave by the eastern gap where a dredging problem arises more frequently. Because of the great increase of traffic in the harbour a lift bridge across either of the channels would not be too feasible. I understand that the Toronto harbour commission has redrafted a plan for a tunnel from the foot of Bathurst street under the western gap to the island airport, and it is my hope that this

government together with the commission and the city of Toronto will shortly move in this matter. It is not only of importance to Spadina but to the whole metropolitan area.

I would estimate that the two largest national groups in my riding are the Italian and the Hungarian. The section of College street between Bathurst and Grace is affectionately called "Little Italy" and on the side streets north and south of College many immigrants make their own "vino" as they did back home. For this purpose they import grapes from California by the carload. After visiting many of these hospitable homes one becomes impressed with the money and effort that has been put into improving their interiors and their furnishings. In many homes and backyards there are plants and gardens that are reminiscent of the walled estates of Italy, only on a smaller scale.

Spadina has since the year 1956 probably been the largest reception area in Canada for immigrating Hungarians, Serbs, Slovenians and Croatians. The freedom fighters and those who followed them have taken to their adopted land with enthusiasm and are noticeably eager to acquire citizenship. For them the most popular man in this country is the former minister of citizenship and immigration who is now the Secretary of State for Canada (Mr. Pickersgill). They are most appreciative of his efforts on their behalf when he went to Austria in 1956 to assist their entry here. In fact, if I want to raise a cheer in some audiences I find I simply have to mention the name of the Hon. J. W. Pickersgill. May I call it six o'clock?

Mr. Aiken: Did you say cheer or jeer?

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

HOUSE OF COMMONS

Thursday, May 23, 1963

The house met at 11 a.m.

HER MAJESTY THE QUEEN

REPLY TO DECLARATION OF LOYALTY ON CELEBRATION OF BIRTHDAY

Mr. Speaker: I have the honour to inform the house that in accordance with the wishes of hon. members the other day a message was forwarded to Her Majesty expressing the loyalty and devotion of members of this house to Her Majesty on the occasion of the celebration in Canada of Her Majesty's birthday.

In reply I have received the following message:

Buckingham Palace
May 23, 1963

The Speaker,
House of Commons,
Ottawa.

I have received your message with very great pleasure. Please convey my sincere thanks to the members of the House of Commons in parliament assembled for their kind and loyal expression on the occasion of the celebration of my birthday.

ELIZABETH R.

CANADIAN CITIZENSHIP ACT

PROVISION FOR GRANTING OF CERTIFICATES IN SPECIAL CASES

Mr. Joseph Macaluso (Hamilton West) moved for leave to introduce Bill No. C-66, to amend the Canadian Citizenship Act (grant of certificate).

Some hon. Members: Explain.

Mr. Macaluso: Mr. Speaker, the bill I propose to introduce is entitled "An act to amend the Canadian Citizenship Act (grant of certificate)". The purpose of the bill is this. In the Canadian citizenship courts today there are many wives of Canadian citizens who are not granted their citizenship papers because they do not know enough of the English or French language. This is because some of these wives who live in isolated areas and places, and even in urban areas, are not able to assimilate enough of the English or French language to learn sufficient to enable them to receive their citizenship certificates. This bill is to provide that in special cases where a wife has been in Canada for 10 or 15 years but is still not sufficiently knowledgeable in the English or French language—and there are cases where the children of such a person have become citizens of this country along with her husband—she may be granted a certificate of citizenship.

Motion agreed to and bill read the first time.

DOMINION-PROVINCIAL RELATIONS

SASKATCHEWAN—REPORTED INTENTION TO APPOINT LIAISON COMMITTEE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister whether there is to be legislation introduced along the line indicated by Mr. Thatcher, the Liberal leader in Saskatchewan, in an interview which he gave, wherein he said that the Prime Minister was going to establish a five man liaison committee in Saskatchewan to work with a minister whose responsibility would be to look after Saskatchewan affairs. I should like to know whether this five man liaison committee will be set up by legislation, or what is the nature of this committee to which Mr. Thatcher has referred in such imposing terms.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I can understand the interest of the right hon. gentleman in this matter, but I can assure him that this is purely a party matter and does not require legislation.

Mr. Diefenbaker: Mr. Speaker, I am glad to have that assurance that we are not going to have a constitutional monstrosity.

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to ask the Prime Minister whether he has under consideration appointing the gentleman referred to, Mr. Thatcher, to the other place and creating him minister without portfolio in order to look after Saskatchewan's affairs.

Mr. Pearson: Mr. Speaker, I can understand the hon. gentleman's interest in the organization of our party, but I do not think it is necessary for me to whet that interest by telling him exactly how we propose to carry out this organization.

Inquiries of the Ministry

GRAIN

WHEAT—STEPS TO BE TAKEN TO PROTECT CANADIAN PRODUCERS

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, before asking a question I would like to draw the attention of the house to a change in the seating arrangements of our party. Our caucus has selected the hon. member for Port Arthur (Mr. Fisher) as deputy house leader of our party, and I would like to welcome him to this position.

In directing my question to the Minister of Trade and Commerce I would like to welcome him back from the GATT conference, I hope with his head bloody but unbowed. In view of the United States farmers' vote in favour of the unhampered production of wheat, will the minister inform the house what steps the government intends to take to protect the interests of Canadian wheat producers, and whether he will initiate discussions with the government of the United States regarding a joint program for the orderly disposition of wheat surpluses?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I have only been home a few hours but I will do my best to answer the question. As hon. members are aware, the vote of the United States farmers yesterday rejected their government's proposal for a new price support program which was to have started on July 1, 1964. I think it is premature to draw any inferences from this result until the subject has been further clarified because it is, of course, possible for the congress of the United States to take further action.

May I say, in reply to the specific question asked by the hon. member, that the government of Canada is in constant consultation with the United States government on the question of the orderly disposition of wheat surpluses. When I was in Geneva I had some discussions with the representatives of the United States government, and these will be followed up immediately.

Mr. Douglas: Mr. Speaker, as a supplementary question may I ask the minister whether this means that the government will still be able to proceed with the implementation of its pledge to pay the farmers a guaranteed price of $2 a bushel for their wheat?

Mr. Sharp: I was not here, sir, but I understand that the Prime Minister made it clear this is a matter of government policy that will be announced in due course.

[Mr. Pearson.]

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, I would like to follow up the subject raised by the hon. member for Burnaby-Coquitlam and put a question to the Prime Minister. In view of the fact that the President of the United States has stated publicly that the rejection of the United States government's wheat proposal will deal a serious blow to the whole economy of the United States, would the Prime Minister go to President Kennedy, as the previous government went to President Eisenhower, and get the assurance of the president that there will not be an extension of public law 480, particularly dealing with giveaways, to move more U.S. wheat into commercial markets?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I shall be glad to maintain my close and friendly contacts with the president on the protection of Canada's interests in this and other matters.

Mr. Hamilton: Mr. Speaker, I would like an answer to the specific point I raised. Will the Prime Minister get the assurance from the President of the United States that there will not be an extension of giveaways in the commercial markets of the world?

Mr. Pearson: I hope, Mr. Speaker, to be more effective in my representations on this and other matters than were the representations of the previous government.

OATS AND BARLEY—INQUIRY AS TO INITIAL PRICES AND QUOTAS

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, yesterday I asked the Minister of Agriculture a question with reference to the pamphlets put out indicating that the announcement of a higher initial price for oats and barley would be made prior to seeding. On page 142 of *Hansard* I am reported to have said:

> —a pamphlet put out by the Liberal party during the campaign to the effect that the initial prices for oats and barley would be announced during seeding.

What I did say was "prior to seeding". That will have an effect on the answer of the minister.

Mr. Speaker, I have a question for the Minister of Trade and Commerce. As a guide to western farmers, can the minister inform the house whether there will be an open quota on grain delivery for the present crop year, as there was in the last?

Hon. Harry W. Hays (Minister of Agriculture): I apologize, Mr. Speaker, but I will have to take the question as notice and give an answer tomorrow.

Hon. Alvin Hamilton (Qu'Appelle): I have a supplementary question, Mr. Speaker. In reference to this question of making announcements prior to seeding, one of the major factors, as the minister must know, is the question of price. Would the minister indicate to the house whether he knows the significance of the fact that barley, which is in short supply, has dropped six cents a bushel in price since the election, while American corn, the competitive feed, has gone up four cents a bushel?

EXTERNAL AFFAIRS

NATO—REQUEST FOR REPORT ON CURRENT CONFERENCE

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I desire to direct a question to the right hon. Prime Minister. In view of newspaper reports that the government has made certain commitments at the NATO conference with regard to Canada's contribution to NATO operations, prior information having been denied to the House of Commons, will the Prime Minister see to it that an early and full report is given to the House of Commons and an opportunity provided for the fullest discussion?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, no new commitments have been undertaken as a result of this council meeting in regard to the use of Canadian forces with NATO. The Secretary of State for External Affairs will be reporting to the house on this matter on Monday, when the council meeting is over. Meanwhile I should like to make it quite clear that the role of Canadian forces in NATO is not under consideration at this council meeting. That role will be the role which was undertaken for Canada by the previous government, and which has not been changed as a result of this meeting.

(Translation):

APPOINTMENT OF CANADIAN REPRESENTATIVE TO VATICAN

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I wish to put a question to the Prime Minister. Does the Prime Minister intend to appoint soon a Canadian representative to the Vatican, as have done almost all nations of the world, including England?

(Text):

Right Hon. L. B. Pearson (Prime Minister): This is, of course, a matter of government policy. It is being considered, as no doubt it was being considered during the last six years by the previous government.

TRANSPORT

SMALL WATER CRAFT—MEASURES TO REDUCE DANGERS

On the orders of the day:

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I have a question for the Minister of Transport. In view of the fact that the Ontario provincial police are adding officers to reduce the danger of fatalities caused by power boats, and in view of the fact that the inspector in charge has stated that the chief offenders in the resort areas are under the age of 16, is the minister planning any action to assist by prohibiting the operation of such boats by individuals up to this age limit, thereby lessening the danger of deaths from this cause in our resort areas? I realize that the minister may not be aware of the thinking of his department because I gave him notice of this question very late and, if he so desires, I shall wait until tomorrow for an answer.

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, I understand and appreciate the hon. member's reference to being satisfied to wait until tomorrow for an answer. I take it he has in mind the danger arising out of the control of small boats commonly referred to as outboard motor boats, and that he has reference to a news item in the morning papers to the effect that the Ontario provincial police are purchasing a small power boat of another type to be used in Ontario resort areas, mainly the Muskoka lakes region and the Algonquin park area.

I can tell the hon. member that the whole subject of the control and regulation of small power boats has been receiving active consideration, and that I hope before very long to come before the house with some statements on the subject that I hope will meet with his approval. It is a subject of very great concern to the department. The difficulty arises because of the fact that the provincial authorities have more immediate control over many of the small lakes and rivers—and some not so small—in which these boats operate, and it is very difficult for the federal authority to have a thorough inspection system.

Mr. Winkler: Mr. Speaker, I should like to thank the minister for that answer. I did not want to miss this opportunity to have him make some further decision in these great days.

Inquiries of the Ministry

CAPE TORMENTINE, N.B.-BORDEN, P.E.I.—CONSTRUCTION OF NEW FERRY

On the orders of the day:

Hon. J. A. MacLean (Queens): I should like to ask the Minister of Transport whether he is now in a position to answer a question I asked him a couple of days ago, and which he took as notice.

Hon. G. J. McIlraith (Minister of Transport): I am happy to be able to inform the hon. member that the planning for this project is going forward in accordance with decisions which have been taken. Discussions on general design with the Canadian National Railways are close to completion, and funds are available in this year's estimates to complete design specifications to the point where we hope to be ready to call tenders by the end of the fiscal year. I am not in a position, however, to give further details on actual design lay-out until the consultations mentioned have been completed.

(Translation):

AGRICULTURE

QUEBEC—ASSISTANCE TO FARMERS THROUGH LIME SUBSIDY

On the orders of the day:

Mr. Raymond Langlois (Megantic): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Can the minister tell the house whether the government intends to take the required steps to assist the farmers of Quebec since subsidies on lime have been reduced by 50 cents a ton?

(Text):

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, I am a new member and I do not know the rules very well, but I understand that questions on orders of the day are supposed to be on urgent, important matters that have arisen since the previous day's sitting, and that other questions should be put on the order paper.

Not having had notice of the question, I suggest that perhaps the hon. member could put it on the order paper.

[*Later:*]

Mr. Hays: I should like also, Mr. Speaker, to answer a question raised yesterday by the hon. member for Shefford involving the subsidy on lime purchases.

Under its lime assistance policy the federal government shares with provinces the cost of direct assistance for the purchase by farmers of limestone for agricultural purposes. Last year the previous government placed a limitation on the extent of its participation based on the average contribution made over the previous four years to each province. The government has made no change in this policy.

REPORTED WITHDRAWAL OF SUBSIDY ON MILK

On the orders of the day:

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, yesterday the hon. member for Shefford inquired concerning the 25 cents per hundredweight supplementary payment made on milk. At this time I should like to clarify the reply I made then.

Under the dairy support program in effect in 1962-63 a supplementary payment of 25 cents per hundredweight was made on all milk used for manufacturing purposes other than that from producers participating in the fluid milk market. For the current support year this 25 cents per hundredweight payment has been increased to 30 cents per hundredweight for milk from eligible shippers whose milk is used for the production of cheddar cheese. This action was taken to provide a modest incentive to the diversion of milk to cheddar cheese production, since both domestic requirement and export opportunities have increased for this product.

For milk used for the production of butter and skim milk powder the 25 cents supplementary payment has been replaced by a purchase program on skim milk powder designed to compensate producers of milk used for this purpose. At the same time the 25 cents supplementary payment was withdrawn on manufactured milk products for which production can be adjusted to meet domestic requirements. This action was based on the premise that such products should not require federal subsidization.

[*Later:*]

Mr. H. A. Moore (Wetaskiwin): Mr. Speaker, I wish to address a question to the Minister of Agriculture and first would like to congratulate him, as a fellow Albertan, on his appointment as minister. How does he expect fluid milk shipped to milk condensing plants, especially in the west, to be converted to cheese production when most of the cheese factories in the western areas were forced out of production during the period when western agricultural problems were ignored? Will it not be inclined to increase butter production?

(Translation):

CROP INSURANCE PROGRAM FOR EASTERN CANADA

On the orders of the day:

Mr. Clement Vincent (Nicolet-Yamaska): Mr. Speaker, I should like to ask the Minister of Agriculture whether the government intends to establish a crop insurance program for eastern Canada?

(Text):

Hon. Harry W. Hays (Minister of Agriculture): I should like to thank the hon. member for having given me notice of his intention to ask this question. The Crop Insurance Act provides the basis for federal government participation in crop insurance programs in any province. In eastern Canada at the present time such a program is in effect in the province of Prince Edward Island. The province of Nova Scotia also has crop insurance legislation based on the federal act.

(Translation):

Mr. Vincent: As a supplementary question, Mr. Speaker, I should like to ask if that crop insurance which is being offered at present to the eastern provinces is the result of the legislation that was enacted in July 1959?

(Text):

Mr. Hays: I would have to take that as notice. I cannot tell the hon. member at this time.

BUSINESS OF THE HOUSE

STATEMENT ON PROCEDURE RESPECTING QUESTIONS

On the orders of the day:

Mr. Speaker: I am sure hon. members, particularly the newer members, will not misunderstand me if I refer for a moment to the procedure concerning questions. I should like to point out that rule 39 of standing orders of the House of Commons deals with the whole subject, and it reads in part as follows:

> Questions may be placed on the order paper seeking information from ministers of the crown . . .

Then the rule goes on to set out the basic principle in these words:

> . . . but in putting any such question or in replying to the same no argument or opinion is to be offered, nor any facts stated, except so far as may be necessary to explain the same; and in answering any such question the matter to which the same refers shall not be debated.

In so far as the newer members are concerned, and particularly for my own benefit, perhaps we should refer to Beauchesne's fourth edition, citations 171 and following. I think this would be very helpful to all of us.

(Translation):

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I rise on a question of privilege. As you have just referred to Beauchesne's work, I take the opportunity to ask the Prime Minister if we will have the French edition soon?

(Text):

Right Hon. L. B. Pearson (Prime Minister): I hope so, Mr. Speaker.

TRADE

GATT—REQUEST FOR STATEMENT BY MINISTER ON RESULTS OF CONFERENCE

On the orders of the day:

Hon. George C. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, may I direct a question to the Minister of Trade and Commerce. In view of the conflicting reports which we have been reading in the press concerning the results of the conference from which the minister has just returned, I wonder if he would be prepared at the earliest possible moment, perhaps tomorrow on motions, to give a short, but I hope full, explanatory statement of what appears to be a very confused situation.

Hon. Mitchell Sharp (Minister of Trade and Commerce): I thank the hon. member for his suggestion. I had intended to make a statement today but did not realize that the session began at eleven o'clock. Otherwise I should have been prepared. I do intend to make a statement tomorrow. I think it will satisfy the members of the house that Canada's interests were fully protected, and that the cause of world trade has been advanced.

RED CHINA—STATEMENT ON SENDING OF TRADE MISSION

On the orders of the day:

Hon. Mitchell Sharp (Minister of Trade and Commerce): I should like also, Mr. Speaker, to reply to a question that was asked yesterday by the hon. member for Qu'Appelle in my absence. He asked me whether the government intends to send a general trade delegation to meet with representatives of mainland China so that general trade between that country and Canada could be expanded, thereby insuring a continued volume of grain sales in that market. I should like to assure the hon. member for Qu'Appelle that these discussions have been under way for some time, and that arrangements were made some days ago for a mission to go to Hong Kong early in June.

Hon. Alvin Hamilton (Qu'Appelle): A supplementary question, Mr. Speaker. I wonder whether the minister would give us the composition of that delegation. Which departments are to be represented on it?

Mr. Sharp: Mr. Speaker, the present intention is that the delegation should consist of representatives of the wheat board, of course, and it will probably have representatives of

two or three other departments, the Department of Trade and Commerce, Finance and National Revenue. Those are likely to be the departments represented.

Mr. Hamilton: A further supplementary question, Mr. Speaker. Is the subject matter dealing specifically with wheat, or general trade?

Mr. Sharp: Mr. Speaker, the purpose of the mission will be to sell wheat to China.

REPORTED NEGOTIATIONS RESPECTING QUOTAS ON EXPORTS TO CANADA

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce. In view of published reports that government negotiations have been initiated to persuade Portugal, Israel, Hong Kong and Formosa to accept quotas on certain of their exports to Canada, and in view of the widespread interest of the business community in the implications of such negotiations, can the minister advise the house whether these negotiations are continuing and, if so, can he give the house an up to date report on such discussions and negotiations?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I can confirm to the hon. member that discussions on this question are under way, but I am sorry I am not in a position to give any further information at the present time.

Mr. Scott: As a supplementary question, Mr. Speaker, could the minister indicate when he might be able to give us an up to date report on these negotiations?

Mr. Sharp: I certainly could not give an up to date report until the discussions are completed.

HEALTH AND WELFARE

MEASURES TO COUNTERACT RADIOACTIVE FALL-OUT

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. In view of the widespread anxiety created by published statements that the greater part of the radioactive debris from the December, 1962 Russian atomic tests, including strontium 90, cesium 137 and carbon 14, is now starting to drift down over Canada, and in view of the fact that such published reports indicate that such debris will settle more heavily on Canada than on any other country in the world, can the minister outline to the house the steps being taken by the government to protect Canadian livestock and food supplies from the dangers of contamination with its resultant danger to the health of the Canadian people?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, I should like to thank the hon. member for giving me notice of his question this morning. While I feel that the steps the government is taking to protect Canadian livestock and food supplies are not properly matters which should be given on orders of the day—and if my hon. friend wishes I shall be pleased to answer a question on the order paper—the matter is of such concern to many Canadians that I should like to comment at least in this way. We are testing air, precipitation, soil, milk, wheat and human tissue. We are bringing samples to Ottawa and having these tested, and we will continue to do so in an intensified way.

However, it is not correct to say that at the moment there are significant quantities of cesium 137. If there is no further atmospheric testing the level is one which, while we are watching it, is not of great concern; that is, it is not dangerous. The levels of strontium 90 and cesium 137 result from the heavy atomic testing of last fall. At the moment it is considered by the department that the levels reached will not be high enough to warrant government intervention, but a very close watch is being kept on this and a plan is prepared for use if necessary.

I should like to assure the hon. member and all hon. members of the house, and through them the country, that the closest attention is being paid to this particular problem.

Mr. T. C. Douglas (Burnaby-Coquitlam): A supplementary question, Mr. Speaker. Would the minister tell the house at how many points these samples are taken across Canada?

Miss LaMarsh: I do not have this information available, Mr. Speaker, but may I suggest to the leader of the New Democratic party that if he is prepared to put the question on the order paper I shall see that the answer is given.

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): I have a question for the Minister of National Health and Welfare arising out of her answer to my colleague from Danforth. Has her department undertaken any research to establish the threshold of danger with regard to the radioactive substances referred to by my colleague and the hon. lady herself or, if not, on what basis does her

department base their judgment that the danger level has not yet been reached?

Miss LaMarsh: Mr. Speaker, in answer to this question I am not absolutely certain what testing is being done or has been done by my department. I do know of one basis used in ascertaining whether the danger level has been reached, which is not of Canadian origin. I suggest, Mr. Speaker, that the answer might be lengthy and will certainly require my investigation, and that if my friend wishes to pursue the matter he either see me in private or place this question on the order paper.

PROTECTION OF PUBLIC AGAINST IMPAIRMENT FROM SMOKING

On the orders of the day:

Mr. P. B. Rynard (Simcoe East): I should like to ask a question of the Minister of National Health and Welfare. I must apologize for not having given her notice of this question. Has a decision been made regarding the control of cigarettes in view of the announcement by the British Medical Association definitely linking cigarette smoking with cancer of the lungs, and the more recent announcement of the Canadian Medical Association on this subject? What steps is the department taking to deal with the problem of making teen-agers and others aware of the connection between cigarette smoking and cancer of the lung, a disease which is now steadily on the increase and which is proving so destructive to human life?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): As I recall it, the answer to the first part of the question is no. With respect to the rest of it, may I suggest the hon. member place it on the order paper.

BRITISH COLUMBIA—CONSTRUCTION OF TREATMENT CENTRE FOR DRUG ADDICTS

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I desire to direct a question to the Minister of National Health and Welfare. In view of newspaper reports that plans are nearing completion for the construction of a multimillion dollar institution in British Columbia for the incarceration and treatment of drug addicts, and that tenders for construction will soon be called, can the minister inform the house whether the government is considering any policy decision that might require any changes in order to apply what is sometimes referred to as the English system of treating addicts as sick people and not necessarily as criminals?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, may I thank the hon. gentleman for having given me notice of his question just prior to my coming into the house, and also acknowledge his continuing interest in this matter of great concern to my department.

In the few moments available to me after receiving notice of the question I checked with my department and was advised that under the legislation as it now stands it would not require a change in order for doctors to treat addicts. Any physician or institution which wishes to treat an addicted person by the so-called English system is quite at liberty to do so.

With respect to the larger matter of government policy, may I say to my hon. friend and to the house that I have not had sufficient time to go into this field as deeply as I would prefer before giving a definitive answer.

Mr. Winch: A supplementary question. May I ask if it is now the intention of the government to proceed with the construction of a multimillion dollar institution in the province of British Columbia.

Miss LaMarsh: Mr. Speaker, I suggest that such a question dealing with the construction of an institution might more properly be referred to my hon. friend the Minister of Public Works.

Mr. Winch: Then may I do so and ask the Minister of Public Works if the intention is to proceed with this construction.

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, this will be known very shortly when the estimates will be tabled.

LABOUR CONDITIONS

PACIFIC WESTERN AIRLINES—REPORTED ACTIONS OF AIR TRANSPORT BOARD

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I have a question for the Minister of Labour. I am sorry I did not have an opportunity of giving him notice, but I would be pleased to discuss this matter with him should he so desire.

My question is as follows. In view of the continued refusal of Pacific Western Airlines to agree to a settlement of its dispute with the Canadian airline flight attendants association in a manner consistent with fair labour practices, will the minister investigate and report to the house on the actions of the air transport board, which appear to be giving aid and comfort to this company in its attempts to avoid a fair settlement?

Inquiries of the Ministry

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, the officers of the Department of Labour have been in touch with this situation for some time, and only recently instructions were given to the officer on the west coast to lend whatever assistance he could in order to reach a satisfactory settlement in this situation. With respect to the other part of my hon. friend's question, I will be glad to look into it and possibly discuss the matter with the Minister of Transport.

(Translation):

LABOUR CONDITIONS

POSSIBLE CHANGES IN OFFICERS OF SEAMEN'S UNION

On the orders of the day:

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to direct a question to the Minister of Labour.

Would the Minister of Labour be able to confirm the approaching departure of Mr. Hal Banks and of his assistants at the head of the Seafarers' International Union?

(Text):

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I am afraid I cannot help the hon. gentleman in that regard.

Mr. Speaker: May I point out that I do not think that question is quite that pressing.

(Translation):

DEFENCE PRODUCTION

REQUEST FOR CONTRACTS FOR VALCARTIER ARSENAL

On the orders of the day:

Mr. Robert Beaule (Quebec East): Mr. Speaker, I should like to direct a question to the Minister of Defence Production. Can the minister tell us whether negotiations have been initiated to obtain new contracts for the Valcartier arsenals, near Quebec, with a view to re-employing the workers who were laid off, several of whom live in Quebec city?

Mr. Speaker: Order. I suggest that the hon. member put his question on the order paper.

(Text):

PUBLIC WORKS

INQUIRY AS TO METHOD OF AWARDING CONTRACTS

On the orders of the day:

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Minister of Public Works. Since he took office have any changes been made in the method of awarding contracts for public works projects?

Hon. J. P. Deschatelets (Minister of Public Works): The answer is no, Mr. Speaker.

CONSTRUCTION OF LAUNCHING WAYS FOR SMALL CRAFT

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to direct a question to the Minister of Public Works. I do so because this is a matter of public interest and national significance. Is the government giving consideration to changing the former government's policy with respect to the building of launching ways on navigable waters for the use of small craft? Further, have any discussions been held with the representatives of any provincial government on this question?

Hon. J. P. Deschatelets (Minister of Public Works): I thank the hon. member for having given me notice of this question. The answer is no; there has been no change in the policy, and there was no meeting or discussion with any provincial representative. However, as the hon. member knows, we are always prepared to discuss this matter with any provincial government in relation to the promotion of tourist facilities.

SUGAR

REQUEST TO EXPEDITE INQUIRY INTO PRICE INCREASES

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is to the Minister of Justice, and is as follows. In the light of the fact that the almost daily increases in the price of sugar are threatening to put small bakers out of business, can the minister do anything to expedite the investigation which he has already told this house his department is making, in answering questions from the hon. member for New Westminster (Mr. Mather)?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, there have already been two questions on this matter, and perhaps more; one from the hon. member for New Westminster, one from the hon. member for Comox-Alberni (Mr. Barnett), and the hon. member who has just spoken, who sent me notice of his question a few minutes before the house met. I do have a reply on this subject. It is somewhat lengthier than usual but I hope the house will bear with me, because I think this is a matter of some importance.

I should like to put on the record the following information, which was given to me by the director of investigation and re-

search under the Combines Investigation Act. On the morning of May 21, 1963 the refinery price for sugar in Montreal was $16.19 net per 100 lbs. in a paper bag. On May 21, 1962 the comparable price was $7.03. The increase is $9.16. On May 15, 1962 the world spot price for raw sugar was $2.68 U.S., and on May 20, 1963 it was $12.30 U.S. The difference is $9.62 U.S., and when allowance is made for the fact that it ordinarily takes 107 lbs. of raw sugar to make 100 lbs. of refined sugar, the Canadian refiners, who must buy their raw sugar under pricing conditions that are directly affected by world market prices, have had a cost increase of $11.11 Canadian per 100 lbs. of refined sugar.

Between April 8 and May 20, 1963, the world spot price for raw sugar went up by $4.47 U.S. or approximately $4.83 Canadian. In the same period the net refinery price in Montreal increased from $11.98 to $16.19, or by $4.21.

Both these illustrations indicate that Canadian refinery prices have gone up less than the price for raw sugar. The figures given, however, are not completely reliable because they do not show the actual prices at which the refiners, who are continually making purchases of raw sugar for future requirements, have bought, but they are the best available figures for purposes of comparison and do show why the refiners have had to increase their prices. They also indicate that the price advances have not been out of line with increased costs for the basic and essential raw materials.

The two main reasons for lower prices on refined sugar in the United States at the present time are, first, that there is now no tariff on importation of raw sugar into the United States and, second, the United States prices are apparently lower than Canadian prices because of the different exchange values of the United States and Canadian dollars.

The increase in raw sugar prices is said to flow from increased demand, poor beet sugar crops in Europe for the past two years, and poor cane crops in Cuba. Speculation in the world sugar market may also play a part. None of these matters is under the control of the Canadian refiners.

Beet sugar production in Canada is substantial, but it only accounts for about one fifth of the country's requirements. In the present situation, sugar beet growers and beet sugar makers are not in a position to affect the price of sugar in cane sugar consuming areas in any significant way.

It is the practice of the combines branch to scrutinize all notable commodity price movements for the purpose of determining whether there may be cause for inquiry under the Combines Investigation Act. In the case of sugar, the director indicates that price changes of the nature experienced can take place without their necessarily having any significance under that act. The director will continue to keep the matter under surveillance.

POWER

COLUMBIA RIVER—POSSIBILITY OF AGREEMENT AT FORTHCOMING MEETING

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): I should like to address a question to the Prime Minister and ask him whether the negotiations with the United States respecting the Columbia river have reached the stage where he shares the optimism of Premier Bennett that an agreement will be reached at the June 3 meeting.

Right Hon. L. B. Pearson (Prime Minister): Premier Bennett will be discussing these matters with myself and other members of the cabinet on June 3 in a preliminary way. I should think it would be a little optimistic to deduce from this fact that complete agreement between British Columbia and ourselves will be reached at this one meeting, let alone agreement between Canada and the United States.

Mr. Olson: A supplementary question. Will there be representation from the United States interests at this meeting on June 3?

Mr. Pearson: No. This will be a discussion between representatives of British Columbia and the federal government with a view to getting matters cleared up between ourselves before we can make a final arrangement with the United States.

UNEMPLOYMENT INSURANCE

INQUIRY AS TO POSITION OF FUND

On the orders of the day:

Mr. William Dean Howe (Hamilton South): I should like to direct a question to the Minister of Labour. Can the hon. gentleman give the house information on the present financial status of the unemployment insurance fund and its future prospects?

Hon. A. J. MacEachen (Minister of Labour): In reply to the question asked by the hon. member for Hamilton South I wish to say that one of the first things I did on entering the Department of Labour was to inquire about the status of the unemployment insurance fund. The figures I have seen indicate

that at the end of April this year the fund was in a deficit position in the amount of approximately $23 million. That situation has been met by loans for the month of April authorized by warrant in the amount of $25 million.

(Translation):

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to direct a question to the Minister of Finance.

In view of the savings of $6 million effected by the Minister of Agriculture as a result of the cancellation of subsidies on milk, can the Minister of Finance tell us which taxes he intends to abolish in order that Canadians may benefit from those $6 million savings?

Mr. Speaker: I am sorry, but that question is out of order.

(Text):

FINANCE

PAYMENT OF FAMILY ALLOWANCES TO AGE 18

On the orders of the day:

Mr. A. B. Patterson (Fraser Valley): I should like to direct a question to the Minister of National Health and Welfare. Is it the intention of the government to introduce legislation to extend the payment of family allowances to those up to and including 18 years of age if still attending school, which according to reports the minister promised at the time of her appointment?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, may I thank the hon. member for giving me notice of this question, but I am sure he will realize that his query relates to government policy which, in accordance with the usual practice, will be announced at such time as the Prime Minister decides.

Mr. Patterson: A supplementary question. I wonder whether the minister would recommend that this action be taken.

IMMIGRATION

VANCOUVER, B.C.—ALLEGED INTERFERENCE WITH CHINESE IMMIGRANTS

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question for the Minister of Citizenship and Immigration. I wonder whether the minister could tell the house whether his department has received complaints from Chinese groups in Vancouver relative to government surveillance of, or interference with, alleged illegal Chinese immigrants? Further, could the minister give a brief outline of his department's policy in the matter of Chinese immigration?

Hon. Guy Favreau (Minister of Citizenship and Immigration): Mr. Speaker, I wish to thank the hon. gentleman for having given me notice of his intention to put this question. As to the first part of his question, I must say that I have not personally been made aware of any such complaints which are alleged to have been filed with my department. I shall inquire and endeavour to answer the first part of this question.

AIR TRANSPORT

ALLEGED REFUSAL OF LICENCE TO B.C. AIRLINES

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I should like to direct a question to the Minister of Transport. I wonder whether the minister could tell the house why the air transport board has refused a licence to B.C. Airlines to operate a charter plane from Vancouver to Sullivan Bay in order to transport loggers on behalf of the international woodworkers? Is this being done to protect Pacific Western Airlines, whose employees are on strike at the present time?

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, with great deference I think that question is quite out of order. It is an assertion of something which the air transport board is reputed to have done. If the hon. member wants to find out what the air transport board has done in this particular connection, and why, I would be very glad to provide the fullest possible information. But I think in the form the question is put it cannot be answered, because it will be seen at once that any answer given would involve admissions which would not be in accordance with the facts.

Mr. Douglas: Since the hon. minister has now taken a hand in conducting the business of the house and in deciding what questions are in order, may I ask him this supplementary question. Has the air transport board refused a licence to B.C. Airlines to operate a charter plane from Vancouver to Sullivan Bay?

Mr. McIlraith: Mr. Speaker, I want to thank the hon. member for putting the question in a form in which it can be answered. I will get the information for him and give him the answer.

(Translation):

BRIDGES

CHAMPLAIN BRIDGE, MONTREAL—ABOLITION OF TOLLS

On the orders of the day:

Mr. Remi Paul (Berthier-Maskinonge-Delanaudiere): Mr. Speaker, may I direct a question to the Minister of Transport? Could the minister tell the house if the national harbours board, which comes under his department, plans to abolish the tolls on the Champlain bridge, in Montreal?

(Text):

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, I will also take that question as notice.

NORTHERN AFFAIRS

INQUIRY AS TO SECRETARY OF RESOURCE MINISTERS' COUNCIL

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I should like to direct a question to the minister of northern affairs, and also to take this opportunity of congratulating him on his good fortune in being appointed to a portfolio which as a result of the kind of vision referred to by Lord Home in this chamber yesterday has worked wonders in recent years.

My question is: has the general secretary for the resources ministers' council been selected and, if so, could the minister provide the house with his name and a brief résumé of his qualifications?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, this first question from my immediate predecessor gives me an opportunity of telling the house how deeply I appreciate the kindnesses and consideration he has shown me in the transfer of our positions.

In reply to his question I might tell him that the executive of the resource ministers' council was to have met in Montreal on Saturday, May 25, for the purpose of appointing a secretary. Yesterday, however, we had a request from the chairman of the council, Mr. Levesque of Quebec, that the meeting be delayed until June 10. At that time I shall be delighted to tell my hon. friend the outcome of the meeting.

NATIONAL PARKS

BANFF—REPORTED CANCELLATION OF TENDERS

On the orders of the day:

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): While I am on my feet, Mr. Speaker, I should like to reply to the question asked yesterday by the hon. member for Bow River (Mr. Woolliams) in respect to some motel sites in Banff townsite.

Last October steps were taken to permit construction of motels on two sets of lots in Banff where existing parks zoning regulations do not conflict with the recommendations of the Oberlander urban development plan. Public notices were published by the department on December 26, setting out the conditions under which the sites were to be awarded, and the closing date for receiving tenders was February 18. Later, at the request of the then minister, the closing date was moved to March 18.

The assessment of applications for developments that affect the character and general atmosphere of the national park merits a fair degree of time and effort. The then minister sought to have a determination made after April 16. As he had not all the facts he remitted the assessment to the department on or about April 22 for further consideration. Assessment of the 20 tenders has not been completed, and in a matter of days all interested parties will be informed of the final results.

(Translation):

TRANS-CANADA AIR LINES

REQUEST FOR INCLUSION OF FRENCH NAME ON AIRCRAFT

On the orders of the day:

Mr. Maurice Côté (Chicoutimi): Mr. Speaker, I should like to put a question to the Minister of Transport. Since the present government is so well disposed towards biculturalism, does the minister expect that the words "Air Canada" will soon be painted on all T.C.A. aircraft? Last year, the present Minister of National Health and Welfare had introduced a bill in that regard.

(Text):

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, I thank the hon. member for the premise to his question. The government has moved forward very rapidly in the field of improving bilingual and bicultural relationships in this country and I am very happy to report that good progress has been made in the department over which I have the honour to preside.

Mr. Woolliams: Just a matter of words, not action.

Mr. McIlraith: Mr. Speaker, I did not hear the interjection of the hon. member for Bow River, and perhaps it is well I did not hear it. As to the particular question asked by the hon. member for Chicoutimi, I cannot give him the answer at the moment.

Mr. Speaker: Hon. members will realize it is now well after 12 o'clock noon, and unless questions are of grave immediate urgency might I suggest that they be deferred to another day.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Wednesday, May 22, consideration of the motion of Miss Pauline Jewett for an address to His Excellency the Governor General in reply to the speech from the throne delivered by His Excellency the Administrator at the opening of the session, and the amendment thereto of Mr. Diefenbaker.

Mr. S. Perry Ryan (Spadina): Mr. Speaker, to continue from where I left off at six o'clock yesterday, I would like to say to all hon. members, and particularly to all whose mother tongue is French, how pleased I am with the contents of the speech from the throne, and especially paragraphs 6 and 7. I am convinced that without the strengthening of our traditional bonds, and at the same time the recognition of the stimulating contribution of other cultures, this nation cannot flourish as it should. Indeed, it is in danger of disintegration if such steps are not taken. The leadership of the Conservative party never did pay proper attention in this direction, and it is doubtful whether there is still any awakening or realization there. That is the main reason they are back in opposition after such a short parole.

The Prime Minister is to be heartily congratulated, not only for the speed with which he has written to the premiers of the provinces enclosing to each of them the terms of reference for the proposed royal commission of inquiry on bilingualism and biculturalism, but especially for the incorporation in the terms of reference of the expressed provision that:

> —the contribution made by the other ethnic groups to the cultural enrichment of Canada and the measures that should be taken to safeguard that contribution—

—shall be taken into account.

The Prime Minister and his ministers are to be congratulated upon the whole content of the speech from the throne. They have not attempted to crowd the complete Liberal platform into it, as this would have meant biting off more than could properly be chewed. Instead, to the chagrin of the Leader of the Opposition, and contrary to his inclinations, a concise, clear course of action has been charted. It is a course that bespeaks decision and beneficial results for the nation. First things have been put first, and there is a new atmosphere of confidence throughout Canada as a result of the April 8 verdict of the people and as a result of the insight and drive that the Prime Minister has continued to demonstrate since that day.

My constituents in Spadina will be particularly interested in the measures designed to promote steady employment, the system of contributory portable pensions, the special assistance for technical training, the changes that will be made in the citizenship act to ensure full equality of rights for all Canadian citizens wherever they were born, and the promised review of immigration policy. The unspecified amendments to the National Housing Act are also of considerable interest.

With respect to employment plans I suggest that wherever possible the work to be done should be taken to the workers or provided in their close vicinity, and not vice versa. In this way the chance of a better future is offered to many persons without their being forced to leave their own environment and seek residence elsewhere, which almost always entails the heartache of separation and difficult periods of adjustment and social integration. This is particularly applicable to the landed immigrant, who should have the benefit of the advice and close association of his friends of his own nationality.

I much appreciate finding in the speech from the throne the paragraph on the establishment of a comprehensive system of contributory portable pensions. I should expect that this would take some time to evolve, due to the complexities of any such proposed system. The new Minister of National Health and Welfare (Miss LaMarsh) and her departmental assistants are to be complimented upon the hard work they have done and must no doubt still do in this respect. I receive many calls about this measure, particularly from the elderly who need and are looking forward to the extra $10 per month.

There are already two provincial institutions in Spadina that have been established for retraining purposes and they are heavily subsidized with federal grants, but more assistance in this direction is needed and particularly in this area to which so many people who lack job security seem to gravitate. The increased technical training of our youth is also a necessity and a priority. In both these connections planning should be so tied in that tradesmen will be trained for as much indoor work as possible in the winter months and as much outdoor work as possible in the milder months, and work when feasible should be scheduled accordingly. This should be given emphasis because of the particular severity of our winters. Our

planning, of course, should be for our country and its problems, and should not blindly follow that of other countries.

It is very pleasing to me that naturalized Canadian citizens will no longer be subject to deportation to their country of origin for catalogued misdemeanours or otherwise, and that they will in future, therefore, be deemed to be equal before our law. This will open the way to discussions with the United States for an agreement whereby our naturalized citizens will no longer be subject to the quota for their country of origin when seeking entry there.

It will, I know, take some time to review the Immigration Act and the regulations now in force under that act, but I am sure this will not prevent this new reform minded Liberal government from humanizing the application of the present harsh and inhuman regulations. Such action is needed and is in accordance with the spirit and tradition of this party. We on this side have always had a warm heart toward the immigrant. We have consistently realized the value to our country and its economy of a much larger population. Our domestic consumers' market still remains far too small to absorb the products of our farms and factories. Under the present circumstances, surely the need to relax regulations respecting close relatives can be met, particularly in respect of brothers and sisters, children over 21 and formally adopted children and their families. Many an immigrant saves sufficient money to sponsor a brother and can provide employment for him, only to be frustrated by the strict letter of some other regulation. The red tape and delay experienced during the last government's tenure of office by applicants for the entry of priority relatives, such as wives, parents and children under 21, should also be cut.

I congratulate the new Minister of Citizenship and Immigration (Mr. Favreau) upon his appointment. I remind him that he has power under the act to admit in special cases. I am sure that particularly because he is a Liberal it will not be necessary to remind him to exercise this power generously.

I believe, Mr. Speaker, that when it comes to arms for our defence forces we should have the best available that we can reasonably afford to answer known threats, as history proves that only those able and willing to defend themselves survive. I believe that when it comes to co-operation with NATO and NORAD we should do our best to co-operate, for in unity only is there strength. I believe that when it comes to disarmament talks we should, with proper safeguards seek vigorously for an agreement to disarm. I am convinced that when it comes to communism an eye should be kept on the increased activity in central Toronto, as it appears to be leaving its soap boxes and following more respectable means of infiltration.

Both Canada and the United States, Mr. Speaker, are currently countries where 50 per cent of the people have 20 per cent of the wealth and 20 per cent of the people have 50 per cent of the wealth. In the light of this fact I believe that when it comes to questions of planning, and automation versus employment, a new sense of social justice must imbue both our industry and our government, even a good Liberal government which this one so brightly promises to be.

Hon. Michael Starr (Ontario): Mr. Speaker, after listening to the latter remarks of the hon. member for Spadina (Mr. Ryan) regarding immigration cases I am inclined to revive all my immigration cases and place them again before the new minister in the hope that now they will be disposed of favourably and quickly.

May I first of all, Mr. Speaker, congratulate you on your nomination to the honourable position which you now hold. In my opinion it was a wonderful choice, and every member of the House of Commons is agreed upon it. I am sure that all members of the house will wish you well and that you will apply to your new duties those principles of fairness and impartiality which have been traditional with those in your position.

I should also like to take the opportunity of congratulating the hon. member for Stormont (Mr. Lamoureux) on his appointment as Deputy Speaker. I know his task will not be easy in presiding over the committees of the whole house, but I am sure he too will discharge his duties with fairness and impartiality.

I should also like to join those who have preceded me in this debate in congratulating the mover and seconder of the address in reply to the speech from the throne, both of whom discharged their tasks in a worthy manner, particularly the lady from Northumberland, a neighbouring constituency to my own.

So far as the present government are concerned, Mr. Speaker, they can be assured of a high degree of co-operation from the official opposition, that is co-operation in all measures that take into account the realities of the situation and are designed to apply practical solutions to the problems. This I feel we have a right to expect, and this I feel the people of Canada also have a right to expect. The

present Prime Minister has a difficult task, but he can be assured that we in the Conservative party will respect the position he holds, something that has been lacking in the past five years. When the Grits were in the opposition, and particularly during the last parliament, they disregarded and degraded the position of the prime minister, and continued to do so in the election campaign which followed. We will respect, Mr. Speaker, and understand the enormous responsibilities which rest upon the Prime Minister's shoulders. We will not allow ourselves, for merely partisan considerations or reasons, to forget that as Prime Minister of Canada he is entitled to consideration and respect from all sides of the house.

I just want to point out to the right hon. gentleman that, after all, he has not a mandate from all the people of Canada. He has a mandate from only 43 per cent of the people of this country, even though he had the advantage of the support of all the newspapers and other media in the metropolitan centres of this country. In spite of this he was only able to achieve a minority government when 43 per cent of the people voted for him. I think he should keep this in mind as he conducts the affairs of this country.

I want to say, Mr. Speaker, that this is a critical time for Canada. In this critical time all of us, all the members of this house, are called upon to play a responsible and constructive part in the conduct of the affairs of this country. It is a time for enormous and far reaching decisions. I must say that a mere change of government does not alter the deep-cutting issues with which this country is faced. The issues remain, and they must be met.

However, I want to point out that Canada has been faced with problems ever since confederation, and will be faced with problems continuously from this day forward. Any young country which is growing has problems, and those problems must be faced and solutions must be found for them. Solutions must be provided in order that the initiative and energy of industry and labour in this country may continue to serve the economy, and above all that Canadians themselves may benefit to the maximum extent from the products of our labour and the exploitation of the resources of this country. This is a task of government now as it always has been, regardless of what government was in office.

These problems, Mr. Speaker, cannot be solved by presenting them in pious platitudes, nor can the government talk its way around them. I am referring particularly to these highfalutin' platitudes about decisions in 60 days. Decisions are called for now, and action, but that action must be courageous and resolute; because the greatest and perhaps the fatal mistake any government can make at this time is to resort to high sounding phrases which would have a reassuring effect and lull everyone, including the government, into a state of false complacency without coming to grips with the problems. I am afraid this is what is happening at this period of our life in this country. We might be lulled into a sense of security by the thought that we now have a government that has promised to make decisions within 60 days.

The government of which I had the honour to be a member under the leadership of the right hon. Leader of the Opposition (Mr. Diefenbaker) addressed itself, regardless of the criticism we have faced, in a positive and practical manner to the tasks as they presented themselves to us. The measures we implemented have brought an unprecedented increase in the economic growth and a record rise in exports, a drop in imports, and a general, across the board increase in employment in this country. During the election campaign there were those who wanted to get the economy rolling, as they said in their propaganda. I say we got it moving, Mr. Speaker, and it is up to the government now to keep it moving.

We have heard a great deal from this government about 60 days of action. Some of the newspapers in the metropolitan areas picked this up and publicized it. As a matter of fact, after this government took office some of the newspapers kept track of the situation from day to day. I know one newspaper in the Toronto area that went so far as the 14th day, on which they publicized an announcement by the Minister of Northern Affairs and National Resources (Mr. Laing) to the effect that there would be 10,000 scholarships available. To this day nothing more has been heard about that, and this newspaper dropped the tabulation on the 14th day because no other action was forthcoming and no decision was made.

As a matter of fact, I believe some of the most important decisions were made in the choice of some of the cabinet ministers who were selected by the Prime Minister. This situation recalls the 100 days of Roosevelt's first term. He did not talk about 100 days of action, he implemented the action during the 100 days and then talked about it. In this country we have the situation reversed. They talk about 60 days of action but no action at all has been forthcoming. I commend this example of Roosevelt's 100 days of action to hon. gentlemen opposite.

As a member of the previous government I had some intimate concern with the problem of unemployment. To the new Minister of Labour (Mr. MacEachen) I express my congratulations and my assurance that he can count upon me for complete understanding of the problems with which he will be faced. During the past several years we heard a great deal from hon. gentlemen opposite, when they were in the official opposition, about the problems which beset this country. As I pointed out earlier, Mr. Speaker, a young, growing nation such as Canada will always be faced with problems. Those problems must be resolved in the best way possible by whoever has that responsibility at the time. There has been some reference in this debate to unemployment. I do not wish to go into this subject at the moment to any great extent. The Prime Minister in his speech averaged out unemployment over the years prior to 1957. He also averaged out unemployment during the years since then, and pointed up the great differences that occurred in those years.

During the election campaign hon. gentlemen opposite promised the people of this country full employment. We will give them a reasonable time to implement this promise; then we will assess the results to ascertain whether they meant what they said or whether it was only a hoax perpetrated upon the Canadian people. I remember some of these hon. gentlemen, and I see some of their faces now—the Minister of Public Works (Mr. Deschatelets), the Secretary of State for External Affairs (Mr. Martin), who is not here—who showed a great deal of concern over the unemployment problem and certainly brought it to our attention with great vehemence. They were worried about unemployment in the provinces; they were worried about unemployment in their municipalities. It will be interesting to see what these gentlemen who now occupy the treasury benches and have the responsibility and opportunity are going to do about those problems in their provinces and constituencies. We will keep track of what is happening, what the situation is and what the results are.

By the measures implemented in the past two years by the former government we were able to reduce unemployment month by month and increase employment month by month and year by year. It will be interesting to see whether this government with its policies, will be able to continue that trend of decreasing unemployment. If they are not able to increase or at least continue that trend they will certainly hear from us, and I think we will be right in pointing out the serious problem to them. I hope they will continue to maintain their concern now they are in office. But more important, I hope they will do something about the situation and continue what we started in the past, the results of which are now evident month by month and year by year.

I hope, Mr. Speaker, they will not take the attitude, for example, that because the Prime Minister has taken two trips out of the country, all our international and domestic problems will be solved. After all, we still have not felt the effects of trips which will no doubt be taken by the new Secretary of State for External Affairs (Mr. Martin). I have watched him for a few days, and he has a faraway look. I think he visualizes some of the trips he might be making outside this country. I would say to him if he were here —and he can read it in *Hansard*—that the most important thing he has to remember is that primarily he is the member for Essex East including the city of Windsor. He was so concerned, and rightly so, about the economic situation in Windsor that he must apply himself to rectifying the situation in that city; then he can make trips abroad.

Mr. Churchill: We will pin him down here.

Mr. Starr: We will certainly keep our eye on what is happening in Windsor and to what extent he will be able to convince his colleagues on the treasury benches that they must rectify the situation with which he has been so vitally concerned for the past five and a half years.

One of the problems over which hon. gentlemen opposite expressed great concern was that of foreign control of Canadian industry. One of those who expressed concern was the Minister of Finance (Mr. Gordon), who recently made one of his frequent excursions into print as the author of an article entitled "We must buy Canada back". I must say that I agree entirely with his analysis of that problem. We can have no employment security in this country as long as we are a nation of branch plants, as long as management decisions affecting the course of our production, and thereby the existence of jobs, continue to be made outside this country. It is to be hoped that this government will come to grips with this problem. One way to deal with it is to stimulate more production in Canada.

It is interesting to read the speech from the throne and see the proclamation by this government that they will establish a ministry of industry, that a minister will be appointed whose prime objective will be to have consultation with industry in order to build up more industry in Canada and thereby provide more jobs. On the other

hand, however, we find that the Minister of Trade and Commerce (Mr. Sharp) is now negotiating for the lowering of tariffs. The Minister of Trade and Commerce is as busy as a bee trying to lower tariffs and eliminate industry in Canada. The new minister of industry has not yet been appointed. He is behind the eight ball; he will never catch up with the Minister of Trade and Commerce. If the Minister of Trade and Commerce carries out his policies he will eliminate more Canadian industries in two years than the new minister will be able to establish in the next five years.

Mr. Churchill: He will not have five years.

Mr. Starr: The question is, who will win, and I am betting my money on the Minister of Trade and Commerce. Is that the way to provide jobs for Canadians? I would point out to those on the treasury benches that they must give this matter very careful consideration, having in mind the manner in which many industries were established in this country in order to provide year round jobs.

One direct and tangible result of our policies in the past has been the manufacture of automatic transmissions and automobile parts in Canada. This has certainly given a great impetus to the automobile industry of this country. They talk about a standard economy in this country. The automobile industry is selling more cars than ever before. There are more people employed in that industry than ever before, and this industry affects every village, town and city across the country. Why are they enjoying such an impetus in their growth and prosperity? It is because they are selling cars. Are they exporting these cars? No, they are selling them to Canadians. Canadians are buying them, because under the Conservative government of five and a half years Canadians can now afford to buy cars.

Mr. Pickersgill: It is just the new confidence.

Some hon. Members: Oh, oh.

Mr. Grafftey: Tricky, but inaccurate.

Mr. Starr: The Secretary of State (Mr. Pickersgill) need not go into any gyrations, because he must remember that the Minister of Agriculture (Mr. Hays) has taken the subsidy off buttermilk.

Mr. Pigeon: To save $6 million.

Mr. Starr: One of the basic things this country needs, and which it has needed for some time, is vocational training. We dealt with that matter very effectively when we were in office. Because of the tremendous advance made in vocational training we will have on the labour market skilled and trained young people possessing the basic qualifications which are required for jobs in industry. This is what we did in the short space of two and a half years. I think it is incumbent upon this government to see to it that when these young people emerge from vocational training, jobs will be available for them. We will make sure that we point this out to them from time to time. That is why it is urgent that the machinery of co-operation between management and labour, which we set up through such bodies as the productivity council, be not allowed to lapse into rust and disuse. We need more jobs in Canada. The best way of providing these jobs is through the co-operation of labour and management. They have a very important part to play. Therefore I hope the government will do everything they possibly can to bring about a greater degree of labour-management co-operation in this country.

Another problem is the effect of automation upon the labour force of this country, which is a terribly fearful thing to the older worker. We presented a bill designed to deal with this problem in a specific way. That bill was acclaimed by all who understood it and were interested in it. We hope that the new Minister of Labour (Mr. MacEachen) and the government will again bring this bill in for consideration by this parliament.

Mr. Speaker, I wish to refer for a few moments to our school building program designed to give Canadians the advantage of learning new trades and skills. I feel this is one of the basic problems confronting this country. I do not intend to go into detail regarding the expenditure which has been incurred in building these schools. I want to point out, nevertheless, that it is now giving 135,000 Canadians an opportunity to learn new trades and skills. I hope that after a careful assessment of this program, which is ending in October of this year, the present government will come to the proper decision and, if necessary, build more schools in order to provide education of this type for the people of Canada. There is no mention of this in the speech from the throne, even though it represents, in my opinion, the basic solution to the problem of unemployment.

The municipal winter works program has been effective in curbing the steady onset of seasonal unemployment, and I trust the new Minister of Labour will look sympathetically at these arrangements even though the minister of external affairs may be against them; I recall that he dismissed the program as a bagatelle when it was introduced into this house. My own feeling is that it has done well in providing jobs for Canadians each winter on a temporary basis.

I have mentioned labour-management co-operation because I believe this is a field in which the maximum degree of effort is required at the present time. It is a field where such efforts will yield the greatest possible results, because management has a direct and positive interest in increasing the rate of industrial growth while the labour unions have a direct and personal interest in keeping up the supply of new jobs. This is a task which any government must set itself in moving to correct those built-in disabilities which have helped to introduce unemployment. Government can only accomplish this task by enlisting the support of labour and management in a direct and positive way. I must point out that there is a great deal of good will on both sides, good will which must be placed at the service of the economy and of the people of Canada in general.

At this time I should like to say to the new Minister of Labour that he is indeed fortunate in the calibre of those people he will find at his disposal in the Department of Labour and the unemployment insurance commission, people who have been, are, and, I am sure, will be ready and willing to carry forward the policies he may be initiating.

I have mentioned these matters at some length because I believe they are the real problems and issues which must be kept in mind when we examine the outline of government policy as it appears in the speech from the throne. It is not my intention to pull this document apart, sentence by sentence and word by word. However, there are some general remarks which I feel called upon to make at this time. While giving the government the benefit of the doubt, as we are all inclined to do, nevertheless I am forced to point out that there is very little for labour in the speech from the throne. Some of the promises which have been made by the present occupants of the treasury benches, including the Prime Minister, come to mind. I think of the measure to introduce a minimum wage of $1.25, the regulation of hours of work and a number of other things. I have scanned the speech from the throne thoroughly and have yet to find anything in it directed toward labour in this country. There is one sentence relating to automation and manpower adjustment, but it is not clear what that sentence really means. I would think it refers to a bill similar to the one we introduced in the last parliament, and setting out the same policy that was contained in that measure—one, by the way, which failed to pass.

What about the proposal to set up a new department of industry? Will the new minister be able to give direction to industry? Is that what is intended? If so, where does direction stop and regimentation begin? We should like to hear about this when the legislation setting up the new department is introduced. If the department is not going to give direction, what will be its function? We shall all be awaiting with interest the answers to these questions.

Also to be found in the speech is mention of an economic council to develop more employment and encourage efficient production. I venture to say that if this council is set up no effects will be felt in this country for at least four or five years. In fact there is nothing in this speech from the throne which would have an immediate effect. This economic council appears to be nothing more than a wrapping up of the national economic development board which we proposed and which was held up by the last parliament along with the measure to establish a productivity council. Hon. gentlemen opposite have thrown these into one basket and come up with this idea of forming an economic council.

I have no objection to this, because the measures we introduced were good measures which would have resulted in a continuation of the economic development already under way as a result of the other programs we implemented. But to try to pass these measures off as part of the bold, imaginative Liberal government program is just a little too much to swallow. I think hon. members opposite have perpetrated a hoax on the Canadian people.

They say they are going to set up a municipal loan board. What funds do they propose to make available to that board for loans? Is it $400 million? How much work is that going to provide? The municipal winter works program has seen $900 million spent in five years, giving jobs every winter to 135,000 Canadians for a period of 45 days. Yet hon. members opposite talk about solving the unemployment problem with $400 million. How is this money to be distributed? What criteria will be applied in granting loans to some municipalities and refusing them to others? Can any municipality get them? Is there to be a limit, or will Toronto and Montreal or some other large municipalities get all the money, leaving nothing for the others?

Mr. Deputy Speaker: I am sorry to interrupt the hon. member, but his time has expired.

(Translation):

Mr. Jean Chretien (St. Maurice-Lafleche): Mr. Speaker, as a new member in this house, allow me to offer you my most sincere congratulations on your appointment as Speaker of the house. I am sure that you will dis-

charge with dignity and impartiality the heavy responsibilities that have been entrusted to you by both sides of the house.

I might be permitted also, Mr. Speaker, to congratulate the movers of the address in reply, the hon. members for Northumberland (Miss Jewett) and Lotbiniere (Mr. Choquette), for having so splendidly performed their duty in the house.

(Text):

I am very glad to be a member of a party which has a leader of the calibre of the Prime Minister (Mr. Pearson). Never has an English speaking Prime Minister had such a comprehension of biculturalism and the fact that Canada is a different nation from the United States. This is because one third of the population is French speaking and will always be so in the centuries to come.

(Translation):

Mr. Speaker, I have the honour to represent the riding of St. Maurice-Lafleche, which was set up in 1935, and which, even at that time, through the foresight of its electors, enabled a Liberal government to take over from a Conservative administration. In 1963, the electors of my riding of St. Maurice-Lafleche decided once again to help the Liberal party stop the spread of Social Credit and sound the beginning of the end for that party in the province of Quebec, and also to put in power a Liberal government to replace, once more, a Conservative administration.

Mr. Speaker, I succeed a Liberal member, Mr. J. A. Richard, who sat here for many years and served his riding and the house well. Therefore, on behalf of the electors of the riding of St. Maurice-Lafleche, I wish to pay tribute to that man who, although well in years, represented with dignity for many years the riding that did me the honour to elect me.

Mr. Speaker, since I have been elected, many of my English speaking colleagues have asked me questions on a problem of the day and wanted to know what I thought of the separatist movement in the province of Quebec.

Mr. Speaker, I believe we should not give too much importance to that situation. However, I would like, in a few words, to try and clarify the matter for the information of my English speaking friends who represent ridings in other provinces.

In the last century the province of Quebec had a population of farmers and craftsmen. It was only in the last generation that Quebec started to become an industrial province. Such a deep transformation creates a number of problems. At the present time, with the changes the premier of Quebec, Hon. Jean Lesage, is bringing about, especially in the field of education, thousands of young French Canadians will soon make their entry on the labour market while thousands of university graduates will start their active life, and they will all ask for adequate employment.

Now, Mr. Speaker, those qualified young men want to have their due place in a French Canadian community and in the community of the province of Quebec as a whole.

As a French Canadian, I must admit that we all have a place in this house. We may speak French or English here and we enjoy complete freedom. But, unfortunately, I find that in the past French Canadians in the province of Quebec were too often left in the background, more particularly in the industrial and commercial field.

Today, we are able to carry out some functions competently. But unfortunately some industrialists and businessmen in Quebec have but too often failed to be frank and honest enough or were prejudiced against their French speaking fellow citizens, to the point of limiting their progress to a certain level. However, at this time, I have to render due tribute to various financial, commercial and industrial institutions in the province of Quebec, which offer to Canadians of French origin more and more possibilities for an advancement, to which they, indeed, have a right.

As a matter of fact, *La Presse* of Saturday, May 11, 1963, reproduced an item published in the *Financial Post* and stating that French had become the fashion in Montreal and that, if industrialists in the province of Quebec began to offer possibilities of advancement to French Canadians, it was due to a recognition of the latter's increased competence and present economic strength, which had to be reckoned with, as well as of the need to negotiate with those people. That is why many corporations in the province of Quebec now offer some possibilities of advancement to French speaking Canadians. I hope this trend will develop more and more in the years to come, so that we may live in peace within the Canadian confederation, as we trust we shall.

Mr. Speaker, we may, of course, pass some legislation in this house. However, the Canadian people in general, and more particularly the English speaking Canadians, should, in the province of Quebec as in the other provinces, give French Canadians the same possibilities of progress so that there would be no such discrimination as has been noted in the past.

Mr. Speaker, I am confident that the present separatist movement is not serious. On the other hand, I feel that at the last federal election, the people of Quebec showed their trust in the party that has always recognized the importance of the French Canadians. That explains why so many ridings in Quebec have elected Liberals to represent them in this house, even though no expert could have forecast a Liberal victory in that province. It must be admitted that Quebec, in these times of confusion, has put her trust in the Liberal party, and it is the Liberal party which will restore a climate of confidence in the province of Quebec.

Mr. Speaker, may I call it one o'clock?

Mr. Speaker: It being one o'clock, I do now leave the chair.

At one o'clock the house took recess.

(Text):

AFTER RECESS

The house resumed at 2.30 p.m.

(Translation):

Mr. Chretien: Mr. Speaker, allow me to go back briefly over some things I said this morning.

This morning I was saying that at the present time, in the province of Quebec, a peaceful revolution was being carried out by the new government. I feel it is proceeding to the satisfaction of the people of Quebec. There is no reason to worry about the events reported these days in the newspapers, because on April 8 our people gave themselves an adequate representation in the federal government, that is a Liberal representation. Nevertheless, Mr. Speaker, to give hope to those thousands of young French Canadians who are now attending university and tomorrow will be out on the labour market, I believe the federal government should pass adequate legislation. It will have to recognize the existence of the province of Quebec, which may wish to be more independent from confederation than in the past. So the government of our province must be given the means to solve its own problems. The federal government will have to adopt laws on biculturalism that are adequate and recognize, on a national scale, that during the next hundred years, Canada will be different from the United States, a country where there are two languages and two cultures.

I feel that under the present Prime Minister the government is going in that direction and I urge it to keep on going along that same path.

It will also have to study the sharing of taxes. The government of Quebec and the other provincial governments must be given sufficient financial resources to solve the numerous economic and educational problems that exist today, especially in the province of Quebec.

Mr. Speaker, I feel it is the duty of this house to give the country progressive legislation. The people of Canada will find in the Liberal program the solution to their problems.

The solutions that we have put forward shall have to be applied rapidly and, in this regard, I have a suggestion to make. I believe hon. members should be given the opportunity to take a more active part in this task, by changing the procedure of committees, so that members can really go to the root of problems and offer possible solutions. Committees should be diversified and the most competent people in this house should be appointed to work on each problem and submit solutions to the government and then adequate legislation could be enacted.

Mr. Speaker, some newspapers said that the member for St. Maurice-Lafleche perhaps had gone against his own way of thinking by supporting the government when the vote was taken on a non-confidence motion proposed by the New Democratic party. During the campaign, I took a position by saying that I was against nuclear arms but that if Canada had been committed by the Conservative government to acquire them, I did not want the Liberal government to fail to respect those commitments, or to do in public life what we do not do in private life.

Mr. Speaker, the Prime Minister told us that this question would be discussed in the house in due course; he promised us that we would have an opportunity to discuss it. We only had half a day to deal with this problem and we were called to vote that same evening without having received all the information to which we were entitled.

I believe that problem is important, and the Prime Minister undertook to give us an opportunity for a full debate, not only an afternoon sitting. That is why, Mr. Speaker, I voted with the government.

It was premature at the time to launch a debate when we were unable to discuss the NATO agreements. It was impossible to take a stand until we were made aware of the solution that would be offered at that time. That is why I voted with the government, and when the debate is really opened on this problem I shall give my opinion and shall analyse the problems honestly according to the mandate my constituents gave me.

Mr. Speaker, some members can deplore, of course, the fact I am so nervous and I understand so little English. In any case, I believe that my position is highly defensible and, as Canada has acquired a reputation in international affairs for keeping its commitments, if there were any commitments, the member for St. Maurice-Lafleche will certainly vote in favour of fulfilling them. However, I reserve a final decision until we have had an opportunity to discuss the whole problem. I will not be satisfied with only an afternoon discussion. That is the reason why, in my opinion, it should be said that this issue was raised a bit prematurely and at the wrong time.

Mr. Speaker, the member for St. Maurice-Lafleche, like all the hon. members of this house, will make it his duty, when the government raises the nuclear weapons issue before this house, to examine both sides of the coin in the most thorough manner.

I conclude my speech here. It was my maiden speech and I wish to thank the members of this assembly for giving me such kind attention. I believe that even though we occupy the government benches we must give the members of this house the assurance that we will give our point of view on every matter raised before the House of Commons.

Anyhow, it will be clear for everybody that the riding of St. Maurice-Lafleche wants a progressive representation. It made a point of ousting a Social Crediter in order to return a Liberal member. I believe that my electors gave me an extremely clear mandate.

Yesterday I heard the hon. member for Villeneuve (Mr. Caouette) say that the Canadian economy was under the control of the Americans. Mr. Speaker, I wonder how it is that the hon. member for Villeneuve, who complains of that situation, is a dealer for the Chrysler corporation, which is owned by the Americans. I hope that he will be able to give us an explanation for that situation. If he was so convinced of his opinion he would obviously endeavour to sell cars from companies other than American companies.

[Mr. Chretien.]

(Text):

Mr. F. J. Bigg (Athabasca): Mr. Speaker, this is the third time I have had the honour to represent the great district of Athabasca, the place where there are reeds; but I assure you the reeds are not shaken in the wind, except in the wind of false propaganda which recently somewhat thinned our ranks. I trust this situation will be shortly changed again. However, I do not intend to waste the time of the house in recriminations. My attitude has always been one of positive suggestion and contribution.

Last September I challenged the present Prime Minister to bring forward policies superior to those of the administration of which I was a supporter, but in the speech from the throne I see little promise to Canadians of any such change. In any member of parliament or any member of a government I as a taxpayer and as a Canadian citizen look for more than promises and empty words. I look for character, and surely one of the important aspects of character and stability. It is not enough to mouth high sounding phrases about freedom, democracy, independence and sovereignty; those phrases must be implemented and the Canadian people must be guaranteed independence, progress and sovereignty.

We are asked to believe that this new administration is going to give us this stability, but I should like to review the record. A short 18 months ago the present Minister of National Defence (Mr. Hellyer) said that nothing could be gained by having atomic weapons on Canadian soil. At that time I thoroughly disagreed with that stand. I spoke on the same day, September 12, 1961, but what I said was, of course, ignored by members of the press because they only print what they want to print. They did not report what I said. At times they refuse to cover what they know is the bald truth.

At that time I begged the Minister of National Defence to reconsider his stand. He wanted to get out of NATO. It is in the record at page 8231 of *Hansard* of 1961. He said that nothing would be gained by adding atomic weapons to our arsenal or by joining the atomic club. Why the change? Eighteen months ago the Liberals were a family of bird watchers, but now I suggest that they have been watching the eagle much too carefully. Don't try to hang "zombie" around my neck. I served my country; I made a good stand.

An hon. Member: You are not the only one.

Mr. Bigg: I know I am not the only one. I ask those who served to remember those days and to call for something better than the raise in pay of $4 per month recently granted the men of the services. I assume these young men are going to follow in the steps of their forefathers and brothers in arms. This magnificent contribution is like the $6 increase in old age pensions offered by the Liberals, these friends of the little people. I challenged you then and I challenge you now—

Some hon. Members: Hear, hear.

Mr. Bigg: Save your applause; you might not want to give it later. I challenged you then and I challenge you now to be the party of the little people of the country. If you are, your ranks may well be swelled. The only man to lead an administration in this country in the last quarter of a century that was worthy of the little people is the Leader of the Opposition (Mr. Diefenbaker). He championed the little people to the point where the big money, the big press and the big mouths of Canada deserted him, and some members of his own party failed in the vision and wisdom required of a good John Diefenbaker Conservative.

I throw out that challenge now. I am not one who is inconsistent. I am consistent, because 18 months ago I nailed my colours to the mast and put out 22,000 copies of this pamphlet I hold in my hand. I will be pleased to give a copy to every member of the opposition, so they can find out where I stand and have always stood.

An hon. Member: You are the opposition.

Mr. Bigg: If you want decision, read my pamphlet. Yes, at times I have been opposed to some of the policies of my own party, and I have stood up bravely and said so. I asked for acreage payments when many people were asking for deficiency payments, and we got acreage payments. I said the price of hogs was desperately low and that if something was not done about the situation the small family farmer would be destroyed. I stood up in caucus and in the house and advocated these things, but I did not get into the press and I do not expect to get into it today, either. I am not accusing the press of being bought, but I am accusing them of only printing the amount of truth they want to print.

If you want a clear picture of my position on the question of nuclear weapons, this is my point of view and it is personal. I think we should stand shoulder to shoulder with our American allies right down the line. I took this stand 18 months ago when the present Minister of National Defence said no, it would be treason to have atomic weapons on our soil. That was the consensus of the Liberal party until January, 1963. I can now stand conscientiously on the question of joint —I repeat the word "joint"—control of the atomic defences of North America. I would go as far as to join the United States army as a private soldier and give up my sovereignty and possibly my life to defend western democracy against any aggressor.

How many of you are willing to stand on this ground, and how long have you been willing to stand there? Not 18 months ago, because the foremost defence spokesman of your party said flatly—read *Hansard* if you have the time; do your homework before you come into the house—as found at page 8231 of *Hansard* that it would be tantamount to giving up our sovereignty as a nation if we allowed American generals to come and brainwash us into this foolish move. If you do not know that you do not do your homework in your own party. I know where I stand. Where do you stand? I will never vote for unilateral control of atomic weapons on Canadian soil. I will demand Canadian sovereignty in every phase of our national and political life. Do you dare to stand with me on that? Do we have to create a new party? This is where we stand. There is a word for any other stand, and you know it as well as I do.

You promised us a national flag, and thank goodness for that. If you ratify the one we have that will suit me fine. I said that in 1961. How many have the courage to stand alongside me on this issue? I feel that the flag under which our fathers died and under which we were willing to die is good enough for Canada. All across the hustings of this country during the last few months I have heard such disgraceful statements as these, that this flag does not give representation to all our people. What is this flag we are going to ratify? You promised it; have you the courage to carry out that promise? I am not afraid to take my stand, but I think many of you are.

I feel that we should not only stand beside our United States allies in the atomic defence of the western world, but I think we should also contribute money and manpower. I believe it is time we had a system of national service in this country. This would provide every young man with a chance to square his shoulders and learn a little discipline. How many of you would support me on that? I will risk my political reputation on that stand. I would not interfere with a young man's education, but this would make his education realistic in the twentieth century.

I feel that we should reform the Unemployment Insurance Act. I am not saying anything against the people who introduced this scheme, because it was done in an experimental fashion, but in many cases it has failed. It has put a premium on laziness and deception. In many cases it has encouraged unemployment. Let us reform this system. Let us encourage those who really want to work. Let us encourage farm labour so that the farmer can have the help he needs. Let us not have any of these second class citizens about whom the Liberals are always talking.

There has always been a lot of talk about selling our country to the United States. When the Conservatives are in power you say it, and when you are in power we say it. What are we going to do about it? We could make it worth while for Canadians to invest in their own country. We could give tax incentives. The Conservatives were accused of allowing the United States to have too big a share in our industries. However, the fact is that we bought more shares in United States companies than they bought in Canadian companies. We should give Canadians a chance to develop their own country.

I think it is time we stopped saying things are too hot to handle. How about the labour situation in Canada? Read the latest issue of *Maclean's* magazine. It is disgraceful that there should be 2,000 young seamen in this country who are being bullied by labour bosses, by criminals from across the line. Well, you talk about Canadian sovereignty. Are you fellows going to stand up and fight for Canada in the labour field? The answer is to give every labouring man in Canada a secret ballot controlled by government supervision so the men can elect the bosses they want rather than have appointments made by labour unions across the line. Have you got that kind of courage? I am standing here waiting. Is it too hot to handle?

Evidently you frankly admit you cannot get one man from your party to handle the Department of Agriculture in the same fashion the hon. member for Qu'Appelle (Mr. Hamilton) did. You are going to divide it. For goodness sake try to get two men who, together, will produce the results for agriculture that he did. We sold wheat to communist China on terms. What is wrong with Pakistan and India and all the other hungry countries? I do not have to go to Formosa to get my orders; my orders come from my heart, which tells me to help the hungry people of the world. If this government has the courage to put these things into effect, then I will vote for them. Do these things and you can challenge me then.

[Mr. Bigg.]

I suggest that right now the farmer is nowhere receiving parity. On the hustings you fellows were saying the western farmer had achieved parity. The western farmer has had attention for the first time in 25 years. The acreage payment is a clear attempt to give him parity. So long as I am in this house I will press for these acreage payments until he gets true parity, until he gets equality with the machinery companies concentrated largely in your great city of Toronto. They backed you up, but it will be some time before you get any backing from the farmers of western Canada. You will not receive their backing until you try to give them something like the square deal we have tried to give them. You talk about the western farmer getting better than a square deal. Take the hog price differential between the western and eastern guaranteed price; I refer to the $2 difference in the price of a dressed hog. This differential should be removed. The farmer should be given at least 25 cents a pound across the whole country. If there are too many business concerns and professional men going into hog production, we must cut down the quota and let the small farmer retain control of his own business. Don't talk to me about these things, because I have always earned my living by the sweat of my brow and the callouses on my hands.

What do those who occupy the front benches know about service in the armed forces when they come up with an increase of $4 per month? Just look at what they gave the generals, the men who brainwashed the rank and file by saying that the government was taking away their arms. Who was it wanted to ground the air force and make them into a bunch of bird watchers? It was the Liberal party. Who was it pressed for the building of the F-104? I did, for one. I went to Cold Lake and told the boys we would keep them flying. The finest air force in the world was going to be reduced to a bunch of bird watchers. I do not care if they are eagle watchers. If I could have been at Cold Lake and talked to them the way I am talking to you I do not think they would have voted for you. You had them convinced that we were letting them down.

This is the party that refused to help build airfields in 1938 in order to train airmen for the Empire training scheme. I wanted to be an airman at that time, but I was denied that privilege. Some of my friends went over to England and took short term commissions. They were right there for the battle of Britain and were amongst the few who fought so well. It is difficult for me, a veteran of seven years standing, to sit here and listen to such gobbledygook as the statement that

we are unwilling to defend freedom, when 18 months ago you fellows wanted to reduce the air force to a bunch of bird watchers. I find it difficult, Mr. Speaker, to retain parliamentary decorum when speaking of these things.

Mr. Speaker: I would advise the hon. member that as long as he applies this language to a party and not to a person he is in order.

Mr. Bigg: I feel we should set up a national transportation policy to co-ordinate our roads, our railways and our airways. I have spoken about this before. I believe, too, that we should reassess our national parks system. I am tired of some people in this country telling me it would be wrong not to retain 17,500 square miles of parkland for the whooping cranes. There are only 28 of them. Yes, there are natural resources in Wood Buffalo park. There is enough gypsum alone to replaster every building in the world, yet this is denied to us because of the whooping cranes.

Do you not think it is time we as a nation and as a group of provinces got together to develop Canada for the good of the little people, whom the Liberal party are so fond of saying they represent? Now they are going to pretend that they came up with the idea of portable contributory pensions. I suppose this is an excuse for not giving the $10 to our old people, an offer which was made on every Liberal platform across the country during the election campaign. Once they were going to give them six bucks. I wonder if they will come through with the $10. They only gave the armed forces $4, so perhaps they will give our senior citizens the full $10.

I think I have made my position clear. When the Liberal party acts for the good of the little people of Canada I will vote for every single constructive measure they bring forward. But I am tired of double talk and gobbledygook, and I am tired of this terrible hypocrisy, which 18 months ago would have left us naked to our enemies. Today a whisper from Washington means more than the will of the people. I say to the government, beware of the steps you take.

Mr. J. B. Morison (Wentworth): Mr. Speaker, I rise with pleasure today to address the house for the first time. I wish to add my congratulations to you upon your election to the demanding office of Speaker. I am sure that with your capabilities and well known talents, at the end of your term of office we shall all congratulate you just as warmly as we do now. I should also like to congratulate the right hon. Prime Minister upon having earned the right to form a government in this twenty sixth parliament. I am sure, because of what I have seen in the last three or four days, that his decisiveness and enthusiasm will make this an excellent parliament. If I may quote the hon. member for Burnaby-Coquitlam (Mr. Douglas) on Monday last, if he is correct in the Freudian slip of Mr. Kent, the Prime Minister will still be prime minister in the forty first parliament. I do not intend to be arrogant, Mr. Speaker, when I say that we Liberals are an indestructible lot, but the thought was prompted by the hon. member for Burnaby-Coquitlam.

I should also like to congratulate the Leader of the Opposition and wish him a long and brilliant career, if it does last to the forty first parliament. The preceding speakers should also be congratulated upon the excellence of their speeches. They have inspired me to rise today and address the house.

I represent Wentworth, which is a riding that surrounds the ambitious city of Hamilton, Ontario. Our biggest centres of population are parts of Hamilton, Dundas—my home town—Ancaster and Stoney Creek. The Burlington-Aldershot area is referred to sometimes as the bedroom community of Hamilton, and I am happy to say that we have done a good job; the population is now three times what it was 15 years ago.

The riding has changed since its inception in 1904. At that time it was predominantly rural, the farmers were a hard working lot and there was a very small population. The riding now consists of approximately 70 per cent urban dwellings—most of them are single family—30 per cent rural and a small amount of commercial and light manufacturing. Our farms still have many fine orchards. We have tender fruit farms and beef and dairy farms.

As I say, the area has changed greatly. My predecessor, Mr. Sams, in campaigning continually stressed that he was going to continue in the manner of his predecessor, who was elected to this house in 1935. I am glad to say that our constituents realized that a change was necessary, and they gave me the honour of representing them in this parliament. I believe I am unique amongst my colleagues in that I appear to have very few problems from my constituents. Whether they have been lulled from long habit into not complaining, or have been uninformed that it is our wish to serve them here, I do not know.

An hon. Member: Wait till the end of the 60 days.

Mr. Morison: I hope I do not have to wait until the end of the 60 days. Whatever the reason may be, the sooner they realize that we are here to serve them, and the sooner they realize that we would like to help them

with their problems—and we do have problems in Wentworth—the better pleased I shall be.

Our farmers, unlike the lucky, shall I say, western farmers, have been caught in a price squeeze between the cost of their products and their selling prices. The small businessman in Wentworth does need help. He must be encouraged to expand so he can help with his share of the municipal tax load. Also the urban communities, with their vast expansion, do need a municipal loan fund. These are the problems, then, that we face in Wentworth.

The hon. member for Prince Albert (Mr. Diefenbaker) said of the speech from the throne that it was a national disappointment in every part of Canada. I disagree. After listening to the impassioned speech of the hon member for Îles-de-la-Madeleine (Mr. Sauve) on behalf of French speaking Canadians, I cannot help thinking that every man, whether he lives in eastern Canada, western Canada, Quebec, or wherever it is, can hardly wait to welcome the committee on biculturalism. I do not think they will be disappointed in any way.

It was stated in the speech from the throne that the Secretary of State for External Affairs would strive to improve the welfare of all nations of the world. Now that we have accepted our commitments to the United Nations and NATO I think we are ready to go ahead and improve Canada's prestige and work to this end.

Many things were said against our trade policy. It was compared with the home consumption of automobiles, automobiles which Canadians are buying. I should like to remind hon. members that one Canadian in five relies upon exports for his job. We need jobs; we need trade. I should also like to remind hon. members that despite a minimum of growth in the last five years we have been having trouble with our balance of trade payments. Also, we have had some trying times with our currency. If ever, now is the time we must build up in the other nations of the world an ever increasing confidence in our currency. We must take a leading and constructive part, as Liberals, in world trade.

Certainly we are going to have problems. The only time we do not have problems is when we are dead. We are on the threshold of a new era in trade patterns, one which requires co-operation, imagination and bargaining. Certainly these will be the keynotes of our trade policy. The rest of the world too are going to have their share of problems. Germany has oil problems. Japan has problems because of her fast rate of expansion. The common market has France; Great Britain has Canada and the commonwealth to worry about; Canada has her five wasted years. These difficulties must be faced. They will not go away.

Changes are taking place in the trading pattern and we must adapt to them. Commonwealth preferences are deteriorating. The trading world is becoming less tolerant of our anti-dumping laws. Trade barriers are being reduced whether we like it or not. If we are to prosper we must go into these market places and barter with a positive attitude. We are bound to lose in certain areas, but if these small losses give way to large gains in the future they will have been well worth while.

I should like to congratulate the Minister of Trade and Commerce on his achievements at GATT. His mission has been accomplished and Canada has taken the first step toward a basis from which to begin bargaining if the Kennedy round is realized in 1964. This is a step in our program of action, and it is a positive one. We must be ready to bargain and to trade. The markets are there. There are two hundred million thriving Europeans, and they are ready to buy. The Barbados have spoken to us. They are ready to trade in co-operation with us. We can supply the Caribbean. We have been invited into the Americas. These are markets we must foster with a positive attitude. We must be prepared to go in and sell.

I suggest that if hon. members on the other side of the house will stop taking a negative attitude and remember they are Canadians; if they will stand up to face these problems with the initiative and the confidence we have shown for the last 96 years, they will be proud one day to have formed the opposition during the period of the fine twenty sixth parliament.

(Translation):

Mr. Clement Vincent (Nicolet-Yamaska): Mr. Speaker, I want to associate myself with all hon. members who preceded me to express my best wishes to you on the occasion of your appointment to the post of Speaker of the house. I also want to congratulate the hon. member for Stormont (Mr. Lamoureux) for having been appointed chairman of the committees of the whole, and I also congratulate the deputy chairman of committees (Mr. Batten). We are sure that you will all discharge your responsibilities in the worthiest manner.

Moreover, I want very sincerely to congratulate the mover (Miss Jewett) and the seconder (Mr. Choquette) of the address in reply to the speech from the throne. Having had the same honour last year, I am convinced that they carried out their tasks honourably, and I hope they will have as much pleasure sitting in this house as I have had myself.

Mr. Speaker, those who believe that the government alone can, by an arbitrary policy, settle all the important issues we shall have to face in the future, should realize that as members of parliament and representatives of the Canadian people from coast to coast, it is our duty to mention that we want the government to do some planning for the future of this country, but not a planning of an imperious character.

The mandate of the government elected by the people is to guide, through a vigorous impulse, the national economy, while leaving the greatest latitude to private enterprise and individuals so that they may play their proper part. This government has no mandate to impose a bureaucratic system which, in its turn, will impose arbitrary policies upon the people which they will have to accept without a word.

Moreover, it should be well understood that the solution of our present problems depends more than ever on each and every one of us. As a matter of fact, the mission we have been entrusted with is not to defend any political colours as our friends opposite did too often, but to make every possible effort with the view of making Canadians aware of their responsibilities, in every field.

In a general way, Canadians should not rely only upon the government for settling their everyday problems.

To my mind, the state has to play a complementary part, that is to say it must provide that which our various organizations may be lacking, but it should not replace our institutions which, in spite of some statements to the contrary, have played a very useful and very important part in our economy, and which will yet be called upon to play a very important part in the raising of our standard of living.

As I am a farmer and therefore one of the rare representatives of that profession from the province of Quebec, I would like, at this point of my remarks, to speak about agriculture. On other occasions, I shall have an opportunity of dealing with other subjects which are also of interest to the riding of Nicolet-Yamaska.

Mr. Speaker, it is always a pleasure to speak about the Quebec farmer, for he is a progressive fellow, a man who knows exactly where he is heading.

In days gone by, it was the fashion to dwell on his individualistic traits. Today it is evident that though he may be an individualist, he has learned to fully appreciate the virtues of a co-operation which helps him solve the problems of his rural community and improve its lot.

Since the last war, we are witnessing a technical and economic revolution, which needs the farmer in order to succeed. The farmer has already benefited from that revolution; unfortunately, he also suffered from it.

In agricultural regions where revenues are insufficient to ensure a decent standard of living, farmers are indirectly prevented from investing in order to modernize their farms and take advantage of economic and technical progress.

These farmers, as well as those who live in more prosperous areas, do not intend to bow under the burden of the agricultural problem. They know that new problems call for new solutions and that people must sometimes aim at larger fields of action to find them.

They have won the confidence of the Canadian government from 1957 to 1963. That is why that government, as suggested by the hon. member for Qu'Appelle (Mr. Hamilton), whose ability is well known, established a legislation entitled Agricultural Rehabilitation and Development Act. The Conservative government then invested for that purpose the amount of $59 millions.

You know the aim of that legislation. Farmers found in A.R.D.A. that program established in 1961, principles and methods of co-ordination that would enable them to initiate a real rural development campaign. It is a campaign in which all must lend a hand, that is farmers, parishes, districts, provinces as well as agricultural organizations.

The Canadian government of that time never intended to interfere in any way with the farmers' liberty of action. That legislation aimed only at giving them the technical and financial assistance which would enable them to put their good will, their ability and their social and professional organizations at the service of an idea, our agricultural survival.

As everyone knows, the federal government, on October 15 last, signed an agreement with the Quebec government.

When we lost power on April 22 last, great strides were being made in the province of Quebec. Many programs were in progress and many others were arranged for next summer.

I now ask the government which presides over the destiny of Canada to remember that such a program of action calls upon all the human, natural, industrial and institutional resources of the community. The government will have to act but it must leave to the individuals, to private enterprise and to the co-operatives their own responsibilities. Furthermore it will have to help them by trusting them and refraining from submitting

the resources of the community to harsh regulations that would kill our farmers' legitimate ambitions and, should changes take place too quickly, miss the objectives aimed at.

Mr. Speaker, during the last electoral campaign, the Liberal candidates made promises. I see here, for instance, a promise made by the Liberal candidate in the riding of Nicolet-Yamaska; I quote from one of their election pamphlets:

> Establish the following principle: that the producer must be able to sell a pound of milk at the same price he pays for a pound of feed.

Many farmers put faith in that promise. But today, unfortunately, they are finding out that those were empty words. We have noticed that, during the first 60 days of action, the Liberal government has removed, in order to save the Canadian taxpayers $6 million, the 25 cents subsidy per hundredweight of milk shipped by the farmers to the processing plants for the production of butter and powdered milk.

An hon. Member: This is ruin.

Mr. Vincent: Moreover, that policy has been totally changed.

I received recently from a co-operative in the county of Nicolet-Yamaska, from a parish in that Nicolet-Yamaska county—there are 36 of them—information regarding that new policy and the effects it would have on the farmers in that parish.

Last year, in that co-operative, half a million—500,000 pounds—of butter were made and this year, with the new dairy policy of the new Liberal government, in the first place, the method of paying the 12 cents subsidy per pound of butter has been changed.

Ordinary people, who are no experts on the matter, will say: "The government, instead of paying 12 cents on a pound of butter, will pay from now on 14½ cents on a pound of butterfat", and they will believe it makes 2½ cents more.

Well, Mr. Speaker, that is not the case. All those who know something about agriculture will tell you that, with 100 pounds of fat, one can make 122½ pounds of butter. That is why one co-operative in particular, in just one of the parishes in my county, produced 500,000 pounds of butter using 408,163 pounds of fat. So if you figure out 500,000 pounds of butter at 12 cents per pound, you get a total of $60,000, and if you figure out 408,163 pounds of fat at 14½ cents a pound, you get a total of $59,183, an $817 difference because of the new Liberal policy. That is to say that, consequently, a single small butter factory in my riding suffers a loss of $817.

That might not seem a lot, but if one considers that, in my constituency, there are 36 parishes and if one multiplies, say, $817 by 36, one will get a possible total loss of $30,000 for the county of Nicolet-Yamaska, due to the new butter policy of the Liberal party. Moreover, we know that in 1962, that co-operative received from the federal government $72,987.96 in a single year, through the subsidies of 25 cents per hundredweight on milk and 12 cents per pound on butter.

The 25 cent per hundredweight subsidy which has been taken off had provided $19,884.15. The Minister of Agriculture (Mr. Hays) will tell us that the price of powdered milk has been increased by 2½ cents a pound. Well, those who know about these matters will tell you that with 7,953,662 pounds of whole milk you get only 7,058,296 pounds of skim milk, so that at 2½ cents more for a pound of milk powder, and at 8 pounds of milk powder per hundredweight of skim milk, it comes to only 20 cents per hundredweight of skim milk, which means a loss of $5,767.54.

We therefore find that the average price for the year 1962 in that butter factory was $2.65, plus a subsidy of 25 cents per 100 pounds, as I mentioned earlier, and, plus 10 cents per 100 pounds for cooled milk, or a total of $3. However, as the payments are always three weeks late, the price for milk shipped since May 1, will be $2.80, plus 10 cents or a total of $2.90, which would mean a loss of 10 cents per 100 pounds on eight million pounds of milk, i.e., $8,000 for a single butter co-operative in my riding.

As I said before, we think that in a constituency like that of Nicolet-Yamaska, where there are 36 parishes, it means a total loss of between $250,000 and $300,000, thanks to the new policy of the Liberal party, which party, during the 1962 election, had promised to apply the principle that the milk producer could sell one pound of milk the same price as he might pay for one pound of feed.

Mr. Speaker, if we glance over the papers, we find that, according to a Liberal member, the main problem in the province of Quebec was the farm problem. This is what he said:

You may be sure that, as soon as a minister of agriculture will be appointed for eastern Canada, I shall be sitting on his doorstep.

Well, I shall immediately ask the minister to put some chairs on the doorstep of his office, but also not to forget to ask the hon. member to come in from time to time, because it is important not only that the hon. member for Drummond-Arthabaska be sitting on the minister's doorstep, but also that he enter the minister's office from time to time in order to discuss the farm problems peculiar to eastern Canada.

Thanks to the milk policy of the Conservative government, there has been an increase in the average milk price in the province of Quebec for milk testing 3.5 per cent. In 1954, under Liberal rule, it was on average $2.51. Those figures were supplied by the Department of Agriculture. In 1955, it was $2.51; in 1956, $2.58; in 1957, $2.70. That was for the last four years of the Liberal administration.

On the other hand, during the last four years of the Conservative administration the prices were as follows. In 1959, $2.75 plus 25 cents per 100 pounds. At this stage, I must say that the 25 cents per 100 pounds subsidy was not recorded in the statistics of the Department of Agriculture. The 25-cent per 100 pounds subsidy was directly added to the payments made by cheese and butter factories to the farmers of the province of Quebec. In 1960, $2.74 plus 25 cents per 100 pounds; in 1961, $2.69 plus 25 cents per 100 pounds; in 1962, $2.75 plus 25 cents per 100 pounds. Those figures therefore show a difference of some 40 odd cents per 100 pounds of milk between the last four years of the Liberal administration and the last four years of the Conservative administration.

This means that a farmer selling 150,000 pounds of milk per year would get a difference of $660 per year for the five years of Conservative administration, or $3,300 for the full period, Mr. Speaker.

The price of milk produced by farmers in eastern Canada poses a most important problem. That is why I would now ask the Minister of Agriculture to thoroughly consider the possibility of improving the situation and correcting the anomalies in eastern Canada. Due to the great importance of the dairy industry in our parts, and since our farmers rely on that source of income, I am requesting such improvements to enable our farmers to get reasonable income.

There is also another problem affecting eastern Canada, that of feed grains. During the last election campaign, I read, for instance, in the papers that a certain Mr. Hazen Argue who was a former member from a western province promised the wheat producers of western Canada a minimum price of $2 per bushel.

I ask the Minister of Agriculture to be very careful before he grants this $2 per bushel minimum price to the western wheat producers. I am asking him to fully consider what would happen should such a step be taken.

First, that would close eastern markets to western producers. Second, it would ruin farming in the east because with such prices as a result of that policy we could no longer raise cattle, go into the production of hogs, eggs or fowl.

In the course of the last session, we had on the order paper of the House of Commons, a bill to provide for the construction of grain warehouses in eastern Canada. I think that bill provided the machinery required to find a permanent solution to that matter of feed grain prices since it enabled western Canada to supply eastern Canada with feed grain at reasonable prices. I should like us to pass legislation whereby farmers, millers and eastern co-operatives could organize themselves into a purchasing board which could buy all the grain needed at harvest time. That bill should also provide for the storage of grain in eastern Canada in the warehouses which would have to be built, of course.

The federal government could pay for the transportation of that grain by ship, because at the present time we must already pay out almost $20 million in transportation subsidies for that grain from western Canada.

Mr. Speaker, the Conservative party is a progressive party. With our policies, from 1957 to 1963, we have tried to find other ways to stimulate our economic growth and this government must work in the same direction. We also introduced another bill which would be of interest for my riding: the national economic development board. When the Conservative administration introduced that bill in the house, they wanted to get together the best brains who, in a spirit of deep faith in the economic future of Canada, would have strived for that ideal. They would have advised the government on the measures that the elected representatives of the people had to take to develop long term farming and industrial policies.

Mr. Speaker, I repeat that the future of the country lies in each Canadian more than in the political colour of every minister.

If the Liberals, during the last session, had co-operated with the government instead of preaching doom and gloom, instead of sowing fear without any reason across the country, we could have pooled our talents, not to insure the victory of a team, but to secure prosperity for the Canadian people, for each citizen. That was the objective of our party. The people must realize that and we must remind them of that.

Mr. Speaker, I should like all Canadians, from coast to coast, to realize that all the work done by our party from 1957 to this day was meant to enhance the greatness of this country, letting at the same time the individual and private enterprise play their own part.

I also wish that every Canadian, and more particularly my Quebec compatriots, could read in our minds the objective we had and still have in view. They would see that our objective was not only to be in power but rather to make our country, which means every province, economically strong and master of its own destiny, besides making Canadians happy within the framework of Canadian institutions.

By contrast to what we witnessed in the house during the last parliament, from a certain opposition party, our party intended to take its responsibilities, looking for the good of the nation before the good of the party.

Mr. Gerard Girouard (Labelle): Mr. Speaker, I should like first of all to thank the Leader of the Opposition (Mr. Diefenbaker) for not having taken the floor before me; this gives me today a few minutes in which to be heard before this house. I know, of course, that under the old regime I would have had the opportunity to speak a few days ago, for if then the minority members were given a third rate treatment, that treatment is now fifth rate. I do not know if I owe this attention to my hon. friend the member for Hull (Mr. Caron); by the way, may I say that my hon. friend has won only half an election, as he ran his campaign both in his constituency and in my own.

I do not think that I have anything new to tell the house today, but I have fallen prey to that irrepressible instinct of the member of parliament which impels him, after each election, to try and kill a few of the dangerous germs that fly around during the electoral campaign.

During the whole period, I heard exaggerated statements—so mean and pernicious that they went beyond anything that can be imagined—with regard to a party in which I am active, the Social Credit party.

Today, I take pleasure in reading an excerpt of a speech made by the Hon. Henri Bourassa in this house, at the time when he was a Liberal:

> More particularly in the political field, I do not see any advantage, either for ourselves or for the true public opinion, to doubt ourselves or to teach the people to doubt the sincerity of our public men. There should be enough matter for criticism and blame in the actions of all political parties, without needing to impute unfavourable motives to any of them.

Of course, Henri Bourassa was a Liberal who later left his party to become an independent.

Mr. Speaker, I might forgive politicians to have resorted to certain means to win votes. But what terrified and astounded me was to see journalists of the province of Quebec, who are supposed to be intellectuals and boast about belonging to the elite, suffer such a loss of memory in the period from February to April. I am speaking of the few leaders of the Quebec press who, last year, were loudly and warmly cheering the hon. member for Villeneuve (Mr. Caouette) and others for causing the Conservative party a lot of trouble and defending the French fact in this house. At that time, the newspapermen were loudly cheering, while candidly admitting that they knew nothing about Social Credit but that they admired the Social Crediters. No need to list their names, everybody knows that they supported the bloc populaire policy and were fighting in the ranks of the Action nationale.

Politically speaking, they never had an outstanding record. But today those gentlemen pose as the protectors of the nation and the saviours of the people. In any case, from February to April they forgot everything. Nothing was good in their opinion either in the Social Credit or among the Social Crediters notwithstanding the fact that they had been admiring them for a year. In my own constituency of Labelle, every morning I read newspapers filled with unfriendly editorials, malicious reports and statements out of context. I do not know why, but those people of the fourth estate decided at one

point to get behind the new wave of socialism which was the fashion in their set. Those gentlemen of the press at one point rallied a whole group of students in the province of Quebec, students I was working with not more than a year ago. Those students got together at the forum a few days before the election and, in the name of freedom of speech, tried to drown the speeches of the Social Credit speakers. Those responsible for such a situation were those gentlemen, the so-called saviours of the people who, we will never know why, decided during the election campaign to lose all memory of the past.

Mr. Speaker, Messrs. Andre Laurendeau, Pelletier and Gagnon decided to throw in their chips with the new socialist wave. Newspaper owners, who are a little more materialistic, opened their purse to amass betrayal money.

I wish to tell these newspaper men whom we used to admire and who have a role to play in the province of Quebec, who were calling for Quebec leaders within the Conservative party, that the Social Credit did have leaders, but I wish to tell them also that they are the ones who took it upon themselves to destroy them in the province of Quebec. I want to impress that on the house.

Those gentlemen of the press talk of unity, friendship and respect between the two nations. Let us first of all start by having respect for ourselves in the province of Quebec. They do not even respect the Quebec people themselves. I wish to tell those gentlemen of the press that they must stop throwing mud at us.

I say to those people that I am fed up with headlines about small bombs in mail boxes, about disgusting resignations, imaginary compromises and exaggerated contradictions. I say to them: stop acting in this way.

I heard yesterday the hon. member for Îles-de-la-Madeleine (Mr. Sauve) demanding once again equality on behalf of the province of Quebec. I admire him and I approve him, as do all Social Crediters. But I must tell those who direct public opinion to stop running us down in their headlines.

Mr. Speaker, I like to speak about Henri Bourassa, the man who founded *Le Devoir*, in Montreal, initiated all the journalistic movements, and his most ardent wish was that the Quebec press be at the service of truth. If Henri Bourassa had come back to life during the last election campaign, he would have taken hold of Caouette's whip to expel "those that bought and sold in the temple."

Mr. Speaker, there are 265 members in this house. I know that politicians make sharp distinctions between the Liberals whom I congratulate on their election, and the Conservatives who now form the opposition and who played a great role while they were in power. Distinctions are made also between the New Democratic party which gains in quality what it has lost in numbers, and the Social Credit party of which I am proud to be a member. However, in the eyes of the electorate, we form a homogeneous group, we are all members of the House of Commons. For them, we all have equal powers and our task is tremendous. That is why we will be criticized or praised according to whether or not we have shouldered our responsibilities.

Mr. Speaker, I realize that I am biased but I am sure that the Canadian people endorse the Social Credit doctrine, regardless of the political party to which their elected representative belongs. Indeed, any member who has toured his riding at least once knows how heavily unemployment and taxes bear on the Canadian people and how a handful of remorseless financiers are growing fat at the expense of the less fortunate.

Even though the Liberal party was elected to office, I am sure it has been entrusted with the mission of helping those poor people.

I am glad to see that the party in power includes economists, people for whom I have the deepest respect. I know that economists can be of great use to a government. The hon. member for Drummond-Arthabaska (Mr. Pepin) should know that. Furthermore, I realize that those economists will be able to help us give a new direction to the Canadian economy. Those eminent gentlemen use the classic economic theory taught in the universities. It is quite good and already producing results. But with all the talent I know they have, I should like to see them go a little beyond that stage and use their training to try and rise a bit higher and find modern solutions to the current problems of this modern world.

And in this connection, Mr. Speaker, I would tell them that, even if they finally were to put the emphasis on consumption

instead of production, they would not go much farther than Keynes and the other neo-economists who have been preaching along that line for some time.

Mr. Speaker, at the last election, the Canadian people have shown that they wanted unemployment to end. Moreover, they want further industrial development and a more significant farm policy. They also hope for an unlimited expansion of our foreign trade, and in this last field I must say a good word for the party in power, because it seems to have made some achievements in the economic field even before it was elected.

Mr. Speaker, our present trade balance with the United States must at last be more favourable, if we are to assess it on the basis of the unusual number of U.S. dollars in circulation in our ridings a few weeks prior to the election.

I should like to remind these prominent economists of the words spoken in 1900 by Mr. Henri Bourassa and I quote:

When it comes to public business, politics government and finance, I do not have much faith in logic.

And he added this:

Good governments clothe the people with a well-fitting gown, suitable for their size, their way of life and their work of the moment.

Therefore, the government must adopt active and efficient policies for the whole country.

The party in power has obtained several mandates, including one concerning biculturalism. I know it is ready to take a step in that direction, but with hundreds of people in Quebec, I would like to repeat to the party in power what they know already, that the province of Quebec does not like quitters. I am ready to go the whole way. Some members on the government side must fight also and, if they were to resign, as did Henri Bourassa in 1900, I would say to them: go ahead, gentlemen, the province will respect you.

As I said the other day, I wonder if the members for Lotbiniere, St. Jean-Iberville-Napierville, Drummond-Arthabaska or Îles-de-la-Madeleine (Messrs. Choquette, Dupuis, Pepin, Sauve) would be ready to make that sacrifice for their fellow citizens of Quebec.

Mr. Speaker, I wish to say a few words now about federal-provincial relations. I know that the Minister without Portfolio (Mr. Lamontagne) will have a heavy task too. First he will have to clear a reputation he himself built up. He will also have to prepare new

legislation, but above all to try and understand what is now in the constitution, not only in the written act but also in the spirit of the constitution.

Mr. Speaker, we could strive for years in this house to amend the constitution, to obtain further privileges and a recognized equality, but as long as members of the Liberal party will not be convinced that there is in the spirit of the constitution something else than what we have at present, we will get nowhere and commissions of inquiry will bring nothing constructive.

It is all very well to start with inquiries, but what I ask of my hon. friends is to be ready in their minds first of all to give our small French Canadian nation the little it claims in our great country.

At this point of my remarks, Mr. Speaker, I should like to point to the house an editorial published in this morning's *Le Devoir*, under the signature of Mr. Claude Ryan.

I shall quote a few excerpts of this article to show you how low one can be when one decides to write intelligent things when one is devoid of intelligence. This article relates to the vote taken Tuesday night on the question of nuclear arms. Speaking of the party in power Mr. Ryan said:

First, we can see to what a lamentable depth a party can sink through servile obedience of its members to the sole decisions of their leader.

In other words, he upbraided the members on the government side of the house for being mere sheep. And he continued:

The aristocratic methods, which still prevail in the most important of our four political parties, create a rather paradoxical situation. One cannot be sure any longer that the views legally expressed in parliament reflect the nation's true feelings.

And Mr. Ryan went on to say:

Do the Liberals in Ottawa—more particularly those from Quebec—fully understand that their spirit of conformity puts the whole nation in an extremely ambiguous position?

Up to now, I am in agreement with Mr. Ryan. Of course, when all the members of a party decide to vote because their leader has chosen that course, they do tend to look like a flock of sheep. But what is rather amazing, is that a few lines further, the same man writes in the same editorial:

Faithful to their promises, the Quebec Crediters voted like good nationalists on this question. Those from the west followed Mr. Thompson.

And this is his conclusion:

This event should not be given more importance than it really has. But it is more and more obvious that this sham party will not be able to resist the ideological disintegration of its elements.

Some hon. Members: Hear, hear.

Mr. Girouard: You can applaud, gentlemen; it seems that you have not understood the meaning of the editorial. The editorial writer blames the members from the government benches for having all voted like their leader, like a flock of sheep.

Then he blames the Social Credit members for having decided to vote according to their conscience.

This is the image of our party that our good newspapermen are trying to create in the mind of the public. I want to say once again that the newspapermen do not all fall in this category, but I blame the leaders like those I have named a moment ago, Laurendeau, Pelletier, and Jean Louis Gagnon, as well as a few small-minded followers, who decided the new wave was worth more than the creation they could imagine.

Mr. Speaker, I should like to deal briefly with another question. We have had a vote recently on the issue of nuclear arms.

Under the circumstances, I had a clear mandate to vote in favour of the motion introduced by the N.D.P. However, I should like to add at this time that my personal convictions, those of the people of my riding and of my province, forced me to support the N.D.P. subamendment which I found ill-timed, ill-advised and ridiculous.

An hon. Member: Hear, hear.

Mr. Girouard: Ill-timed, sir, because the subamendment was moved on the eve of a most important conference from which we hoped to get on that the subject the information that the former administration kept from us and which the present administration does not seem more eager to give us.

I found it ill-advised because we have called for the establishment of a defence committee and we felt that the present government would give in in that respect, thus enabling us to get a clearer picture before taking a decision. The subamendment was ridiculous because, had it carried, the Liberal government which has a clearcut policy on nuclear armaments might have been overthrown just like its predecessor which had no policy in that respect. That is why I found the subamendment most unpleasant. Yet, I voted for it because I had a clear mandate from my constituents who are strongly against nuclear weapons.

To be honest, I cannot help but feel somewhat grateful to those who voted against the motion. But that is when I realized that there are always two sides to a major question. Some members told me that they did not wish to veto prematurely a question which the government promised to submit to the house for its approval sooner or later.

Others told me they feared that some communist influence might be behind the demonstrations staged by the C.I.N.D. and "The Voice of Women". By the way, I should like to speak about "The Voice of Women", not that I question their sincerity, but they intrigue me, those guardians of the home who of late have mothered peace. I wonder if those women, whether they be in Canada or in Rome, know exactly why they demonstrate and where they are going. I feel it would be easy to clear up the matter if the Prime Minister decided to reveal some private talk.

The only demand I have to make respecting nuclear weapons, is that I insist—and I believe all hon. members support me—that any final decision in this connection be taken by the house. I feel that if we had a free vote then, or to go even further, if we would disregard parliamentary procedure and hold a secret vote, not more than 40 or 50 members in the whole house would vote in favour of nuclear arms for Canada.

Mr. Speaker, if one day, in spite of my unimportant and dissenting opinion, the government party were to conclude such an arrangement with the United States, I ask them not to forget altogether all those years of struggle our country went through, when less than two centuries ago, Canadians were still shedding their blood to keep the freedom that our distinguished, but not too powerful neighbours, were trying to take away from them.

Mr. Speaker, I come now to the amendment moved to the address in reply to the speech from the throne.

When the former prime minister moved his amendment, I felt a great deal of indignation, because I could not help but think of the saying: "Opportunity makes the thief".

Indeed, the Leader of the Opposition thought that the government did not act quickly enough. At one time he said: "I find that the government's statement of intention is not enough to maintain or pursue the expansion launched by our government in 1962". With regard to this matter, Mr. Speaker—I do not know whether my party is involved by saying so—I say that the same chance may be given to the ministerial benches that we of the Social Credit have given to the Con-

servative party in the past. Anyway, in order to soothe the Leader of the Opposition, I shall say that, though there is no great promise in the speech from the throne, after the last six years which the country spent under Conservative rule, Canada should not be too exacting.

Mr. Speaker, I shall now conclude my few remarks. I took great pleasure in being able to express my way of thinking. In concluding, I want to say that a few days ago, the Liberal party made some promises which seemed interesting from the point of view of the Canadian people. If the government carries out what the people want, it will apply what the Social Credit party always asked for, on behalf of the people. While strengthening our economy, the government promises to give us what we want in the matter of biculturalism.

I shall therefore conclude my remarks in stating that, if the government carries out the promises it made during the election campaign, it will be in absolute majority, because the 265 members of the house, in supporting such legislation, would only discharge their responsibilities, which consist in giving to the Canadian people all the happiness which political, economic and social security can mean.

(Text):

Mr. William Dean Howe (Hamilton South): Mr. Speaker, I should like to take this opportunity of congratulating you, sir, on election to your esteemed office. I have been told that this is considered a maiden speech. I do not know whether this is in reference to being launched, or because this is the time of life at which the greatest degree of nervousness takes place. A previous maiden speaker referred to this as going into orbit, and with this I must agree. However, when I consider the small percentage of hon. members who will probably be left in this chamber when I have finished my speech, I am sure the nervousness will be almost overcome. As to where I sit in this house, at least all I can do is advance. I do not think it is possible to get any further back, but at least I have my foot in the door. The geographical distance between here and some of the other seats is short. The distance is one of status rather than physical footage.

The riding I represent is large. It was established in 1952. Both the somewhat larger parties have ably represented this constituency in the past, but in this election the people felt they should try a party that can truly represent the interests of the working people.

As to my immediate predecessor, Bobby McDonald, I should like to say that, knowing him personally, I hope I shall be able to represent our riding in as able a fashion as he did.

Some hon. Members: Hear, hear.

Mr. Howe (Hamilton South): I have always found him fair in every respect, and to follow him places a large burden of responsibility on my shoulders.

The city of Hamilton, the fifth largest in Canada and the largest industrial city in Canada, is well located at the extreme west end of lake Ontario. It is a natural port area on the great lakes which allows clear access for the shipment of the many commodities manufactured in that great city. I am not going to bore hon. members here with Hamilton's many advantages, because I am sure they are well known by reputation alone. Needless to say, with the amount of industry which takes place in this area there is a huge labour force that is deserving of social benefits which have not even been mentioned in the speech from the throne. We were particularly astounded at the omission of any medicare program. We were pleased during the campaign when we saw that the Liberals had included this in their platform, being careful, of course, not to offend the private companies as they turned right from their portended social policies to gain their support. Do the Liberals realize that they are dependant upon more than themselves to keep their present status? The effectiveness of any government has no relationship to the numerical majority of that party. I feel that stability would indicate the calibre of the men who make up the government and the sincerity of purpose, rather than party affiliation as a sole criterion for judgment. To me sincerity is more important than physical majority. There have been many successful minority governments.

The New Democratic party has pledged itself to support a minority government as long as this government is carrying out any legislation that is good for the people of Canada. What better way is there of maintaining effectiveness and honesty than if the minority party is kept to its election promises through the watchful guidance of a party interested in the welfare of the people? This minority government, as in the past, could be the finest government of them all. Monopolizing power by one party, with no thought of utilizing effective people of an opposition party, is ineffective administration. It is my sincere contention that voting for a majority government merely for the sake of majority is wrong. To vote for ineffectiveness and poor policies serves no useful purpose.

Our party proposed a plan that would give complete medical care to everyone. We do not think the quality of medical care should

be determined by how much a person can afford. Rather, this should be determined only by the degree of illness. We believe that any plan of medicare must be all inclusive and completely comprehensive. It must include doctors' care, hospital care, dental care, drugs, glasses and other necessary appliances. This plan would be for the benefit of the people and not one designed against the doctors—after all, I am one myself. It would be designed to meet these needs without the sacrifice of the doctor-patient relationship. Doctors would be paid on a fee for service basis rather than a salary. This would maintain a doctor's incentive. He would have the complete freedom to practise inside or outside the plan and also have complete freedom of choice of his patients. This would be completely democratic and yet maintain the dignity and pride of the medical profession which it so justly deserves, because of its sacrifices and unswerving loyalty to the ailing since the ancient inception of this profession.

We feel, too, that the people are equally deserving of the best care available. Through experience in the practice of medicine I find there is a large group of people who are medically indigent. Some of these people have sufficient to make them ineligible for medical welfare assistance, yet they can ill afford adequate medical care. There are new discoveries in treatment, in newly derived drugs that cannot be used on as high a percentage of patients as they should be. The exorbitant prices of these drugs makes it necessary for doctors to substitute cheaper ones rather than use the best in the case of many of his patients. Because of financial obstacles, must our Canadian people receive second or third rate substitutions?

When a patient enters my office I am forced to make two diagnoses—one has to do with a medical diagnosis and the other with the patient's financial ability to pay for the treatment I will have to prescribe, whether it be drugs, surgery or even time off work that many can ill afford. What about private plans? These are so covered with exceptions, exclusions and fine print that to interpret them would take the ability of a legal man. None of these plans include dentistry or appliances. A few of them partially cover drugs on a percentage basis. It was interesting to note that in yesterday's *Globe and Mail* on the editorial page there was an editorial called "Facing the Inevitable", and I would like to read this.

> The dental profession is showing wisdom in its co-operative and constructive approach to prepaid dental care. At the joint annual conventions of the Canadian and Ontario Dental Associations at the week end, it was disclosed that sponsoring bodies had already been set up by the profession in British Columbia and Quebec to administer prepaid plans, and that similar bodies were in the process of formation in Alberta and Ontario. The Ontario group should be ready by the end of the year to administer plans on behalf of a number of groups.
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> Dr. W. G. McIntosh, past president of the Canadian Dental Association, had some words of advice for his colleagues. He warned them not to resist social change:
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> "The only reason for the existence of our profession is to serve others. If we fail to make our services available or place them beyond reach of the public, then our status as a profession and our legal power of self-regulation will quickly disappear... The cry of no government control is outdated. It is now a question of how much government control and how it can be most efficiently used in the best interests of all concerned."
>
> By moving voluntarily into the prepaid field, the dentists are co-operating gracefully with the inevitable. Dental bills place a greater financial burden on some families than medical bills, and there are many families who cannot afford dental care or for whom dental care is not available. The need is twofold: there should be prepaid plans that will spread the costs and enable people to guard against sudden and enormous bills by paying a reasonable monthly premium; and dental services should be made much more widely available.
>
> These are not needs that can be quickly satisfied. The first plans put into operation in Ontario will be in the nature of experiments. Until they have been working for some time it will not be possible to determine the full extent of the need for dental services or to fix firm premiums. It is also probable that the original plans will function only in urban areas; the shortage of dentists in many rural communities at the present time could make any sort of comprehensive prepaid scheme impossible. Before prepaid dental service can be made available to all its citizens, Canada will need many more dentists.
>
> The dentists are wise, however, in proceeding with their pilot schemes now. It is an indication of their recognition of the need, and of their willingness to co-operate in meeting it.

It is interesting to note that even the *Globe and Mail* does not speak in a derogatory way about the possibility of this plan being government run. Is it not the prime responsibility of any responsible government to attend to the health of the people?

Great Britain has had a medical plan since 1948, and although the Labour party, which had the sagacity to institute this plan, has been out of power since 1951 the plan has not been withdrawn. Rather, the Tories have recently offered increased benefits. The doctors want it, the people want it and even the government wants it. If such a plan as this could be brought in during a period of austerity in Britain by a Labour party, and not removed by governments following them, surely Canada is in a better position than Britain was in post-war days to institute a plan of similar magnitude for our Canadian people?

The complaint that quality would be substituted by quantity is unjustified, as evidenced by the Norwegian health plan. Two of the standards used for the determination of

quality of medical practice are the infant mortality rate and the average life expectancy at birth. Both of these are considerably more favourable in Norway than either here or in the United States. Although medical education in Norway is free, there are still fewer doctors per capita and therefore the improved statistics are not explainable on the ground that Norwegian doctors handle fewer patients.

There are only two countries in the western world which have not achieved some form of government operated medical health plan —the United States and Canada. This is something the people need and want. I feel that a speech from the throne which omits even to mention this subject is remiss in attending to the needs of the people. Is this not truly the duty of a duly elected government? The people are not asking to be branded by the stigma of receiving charity from either the government or other people but I do feel that anyone who is doing a job to the fullest of his ability should have equal rights and access to benefits available to everyone; he should not be looked upon as seeking charity, but, rather, recognized as a human being, not indigent but with equal rights. If any one right falls in this category it is the right to health.

A properly planned medical health scheme that is truly all-inclusive would advance the course of medical science, because it would not only look after the people but it would provide incentive to the doctors and advance the cause of scientific research without such duplication of effort as results today from the studies of private companies. It would make the latest scientific advances available to anyone whose medical condition required them. This would be the only criterion of their use, as the financial barrier would be removed. Also, education along medical lines would be made available to those who have the ability. Today, one needs both ability and opportunity. This would make the opportunity available to all those who have the ability.

Only through idealism is the realism of improvement accomplished. A goal set high remains an eternal objective even if never attained. Perfection is impossible to attain, but the closer we can come to it the better will be the life of our people. So, let us all work and build a new Canada with standards for our people that will be the envy of the world.

(Translation):

Mr. J. E. Brown (Brantford): Mr. Speaker, I should like to begin my remarks in the language of my French speaking compatriots, many of whom are my close friends.

First of all, Mr. Speaker, I should like to congratulate you upon your appointment as Speaker of this house. On all sides of the house you have been held in the highest regard. I know that you will discharge your duties with great distinction and impartiality.

Also to the Deputy Speaker and deputy chairman of committees, I should like to extend my sincere congratulations.

Mr. Speaker, one of the first matters mentioned in the speech from the throne is the establishment of a commission charged to study "thoroughly but urgently how the fundamentally bicultural character of Canada may be best assured."

As a representative of one of the major English speaking areas in Canada, I am glad to commend the government for its efforts to create a true bicultural relationship in Canada.

Mr. Speaker, I truly love the traditions and background of English speaking Ontario. But I also love the traditions and background of our sister province of Quebec.

(Text):

Mr. Speaker, the speech from the throne forecasts decisive action on the part of the government to combat the serious unemployment problem that besets this country at the present time. My constituency of Brantford has felt the effects of this problem for quite some time. Many have suffered greatly, and for them I have had grave concern. I believe that across the country there is a good deal of optimism and satisfaction that the new Liberal government is endeavouring to bring Canada back to a greater degree of stability and a higher degree of prosperity, a prosperity which is more widely shared by the whole population than was the case in the past. I congratulate the Prime Minister (Mr. Pearson) and his colleagues for the leadership they are giving in face of many difficult national problems.

I hope I will be pardoned for the enthusiastic belief I have that Liberalism is not dead in Canada today. I believe it can still offer this country an effective path to greater freedom for the individual, and a richer and fuller life for the majority of the people of Canada. I have always found that somehow modern parliamentary Liberalism has an answer, and an effective answer, to our national problems, and I congratulate the government upon the leadership it is giving in this direction as outlined in the speech from the throne.

Of particular interest—and I mention it now only because I may very probably have more to say about it later—is the reference to the new national contributory portable pension plan. It was spoken of a great many times during the election campaign, and I am now looking forward very much to its implementation during this session of par-

liament. I believe in it because I believe that it will be a tremendous stride forward in social legislation when it comes into effect. It will be contributory; it will not be a handout. Every working man and woman knows full well that we must all somehow pay for this and for many other benefits which may come from such measures of social legislation. I believe that each and every such person looks forward to contributing to something from which he or she can benefit in years to come upon retirement. When the new minister brings down the bill implementing this legislation, it will be one of the most vital pieces of social legislation which has been introduced in this parliament in a generation.

Above all I should like to congratulate the Prime Minister (Mr. Pearson) upon his speeches in this debate. He gives promise of great leadership in the days to come and is bringing singular credit to this house and to the country in these days of decision.

There is one matter that I should like to bring before the house and the government in this debate. This might be said to be a local matter, but it is one which affects far more than the people of my own constituency. It would benefit the entire area in which I live in the province of Ontario, and one in regard to which representations will, I know, be made to the government in the near future. I refer to the deepening and the redevelopment of the Grand river for purposes of navigation. This may seem to be a small matter at first but, Mr. Speaker, I believe it to be a big one. I want you to know, sir, that it is one which will be of inestimable value to one of the most heavily populated parts of Canada.

The Grand river is a navigable stream—at least it has been for many years—as far as Brantford, that picturesque and historic city which I have the honour to represent in the House of Commons. The Encyclopaedia Britannica 1948 edition describes Brantford, Ontario, as a port of entry into Canada by water; and as such it was recognized from earliest times. It was a centre of civilization and gives evidence of having been an Indian capital in the days before the coming of the white man. The potentialities of the Grand river were recognized from earliest times by both wise Indians and white men alike. It traces a majestic course from its source in central Ontario to its mouth at lake Erie. It was at the fall of the river, which is also the ford of the river, to where the earliest white settlers in the area came. This river valley was chosen by the Indians of the Six Nations when they settled in Canada following the American revolution under their redoubtable chief Joseph Brant, that illustrious leader of men, both Indians and whites alike, and a valiant ally of the British crown. And as I said, the earliest white men followed Joseph Brant to settle at the ford of the river, at Brant's ford, there to establish the beginnings of the province of Ontario.

Mr. Speaker, did you know that when Brantford was a port whole families of people came from as far away as Virginia, bringing their slaves with them to spend their summers in the delightful climate of our part of Ontario? The historic Kerby hotel at Brantford was jammed to the doors every summer in the 1850's, and they had to set up an annex across the river to hold the crowds.

What I am saying is that this great river must be made navigable for the reasons I will outline. Did you know, Mr. Speaker, that in the last few years every municipality along the Grand river has spent large sums of money, some in the millions, establishing sewage disposal plants, with the help and direction of the provincial government, in order to put an end to the pollution of the river? The result is that it is rapidly being restored to its pristine beauty—to its old and rightful place in the life of all those important communities on its banks. It is being made ready for navigation again, and the federal government, this government will, I know, be called upon to give a little leadership in restoring navigation.

Perhaps commercial navigation may never develop again on the river—who knows? But navigation for pleasure craft will change the entire economic life of this whole area. The possibilities for recreation in the valley of the Grand, serving the whole area between what is called the Golden Horseshoe around lake Ontario and down to the region of lake Erie, are unlimited.

Hon. members will be well aware of the increased interest in boating and water sports over the last few years. The highways in our part of Ontario are full of people hauling boats either to Georgian bay or lake Erie. This should not be necessary when all they have to do is put their craft on the water at Brantford. Further down the river past the Six Nations Indian reservation and Chiefswood, the newly restored home of the Indian poetess, Pauline Johnson, is Caledonia, where above the dam the boating and water sports enjoyed are a sight to see.

With some dredging and a number of low dams, the entire Grand river and its flat lands on either side will become, in my view, a recreational area second to none in North America and serving a whole number of communities throughout its length, in the most densely populated parts of Canada.

With the river pollution coming to an end, with help from the federal government to

promote navigation, and with the construction of certain small sized dams, the adjoining farm lands, always a credit to our province, will be enhanced in value by the possibility of irrigation, so that agriculture will be able to hold its accustomed place as a cornerstone of the economy of the Grand valley.

The redevelopment of the Grand river will also be one of those projects which the federal government can promote at this particular time, or in the near future, to alleviate the unemployment problem in the area. It is a public project that will bring about a good return on the investment made. There will be resultant prosperity ensuing from the establishment of this enviable recreational area, one which will be second to none in Canada.

Millions of dollars have been spent in past years on the Trent valley system and on the Rideau canal system, and I believe, and believe firmly, that the next great move on the part of government will be the redevelopment of the Grand river for navigation. Present day urban civilization requires a multiplicity of parklands and recreational areas, and the potential of the Grand river valley is tremendous in this respect.

As I said at the outset, great men of the past recognized its value and potential by settling there. Joseph Brant and the chiefs of the Indians of the Six Nations confederacy, after careful study, chose this area as above all a place worthy to establish in the wilderness a haven where British justice under the crown of England would flourish and prevail.

The white man, after the advent of railways, rather carelessly neglected some of our splendid waterways, including the Grand river. Today his descendants are turning to these rivers again for recreation and the Grand river area will, I confidently predict, from one end to the other become a retreat for countless thousands and a bulwark against the pressures of modern urban civilization.

Mr. S. J. Korchinski (Mackenzie): Mr. Deputy Speaker, in rising to take part in this debate, like so many others I would first like to congratulate you on your election to the office you hold. I would also like to congratulate the mover and seconder of the address in reply for the manner in which they delivered their speeches. Those of us who have already made our maiden speeches know what an effort it is on such an occasion to express oneself when it appears that all eyes are turned on one. However, there was none of that nervousness, that I personally experienced, evident in those new members whom I have heard, and I admire them for that.

[Mr. Brown.]

In particular I admire some of the Liberal members who can speak of the throne speech and make it appear as though it were something of which they could be exceedingly proud. During the recent election campaign we felt some bold action would be forthcoming, were the Liberals returned to office. We heard them say: "It is time for action; it is time we got a new government." But what do we find in the speech from the throne? We find that what the new government have done is to take legislation which we announced in the speech from the throne last session, reword it, alter it a bit and present it to the country as though it were theirs. They have copied it, and I admire them for doing that. I am glad they could see the wisdom in the legislation we had presented.

We left the country in a better position than the press, Liberal spokesmen and television commentators made it appear. Indeed, Mr. Speaker, quite a hoax was perpetrated on the Canadian people. I have before me a clipping from the Ottawa *Journal* of May 1 and under the heading, "A house left in good order" there appears this:

> Official figures which came last week should be noted well by Canadians.
>
> For what they showed, beyond any dispute whatever, is that when Mr. Diefenbaker last week handed over the government of Canada to Mr. Pearson he presented Mr. Pearson with a house in good order.

An hon. Member: What about the unemployment?

Mr. Korchinski: I will deal with that shortly. The article goes on to say:

> He left Mr. Pearson a country whose national production in 1962 had climbed 8 per cent to a peak of $40.4 billion . . .
>
> He left him with a country which, after years of trade deficits, had at last achieved a favourable trade balance.

The article continues:

> He left him with a country whose reserves of gold and U.S. currency had been brought to $2,700,000,000—the greatest reached in years.
>
> He left him with a country in which, during 1962, trade had reached an all-time high; in which manufacturing had jumped by 8 per cent, construction by 8.2 per cent, business capital investment by 4.8 per cent . . .
>
> In short, Mr. Diefenbaker left Mr. Pearson with a country whose people were producing more, selling more, earning more and saving more than ever before in their history.

Is it any wonder that they followed through by keeping that type of effective legislation? Is it any wonder that they are continuing the program of technical assistance? The former minister of labour dealt with that earlier today. Is it any wonder that they want the Atlantic development board? Oh, they will change it a bit. Perhaps what they want is a few of their appointees on the board, but

they are not saying that it was bad legislation. I can remember when they spent days and days in the house—obstruction, that is what it was—trying to make it appear to the country that this was poor legislation.

What are they going to do about this legislation now? They are going to improve it. They are going to put in $100 million and that is supposed to solve the problem. They are going to make a few more appointments. So far as solving unemployment is concerned, no doubt they are going to appoint some of their men to the board and that will absorb jobs. I think they should take a lesson from the experience of the hon. member for Burnaby-Coquitlam (Mr. Douglas) who was premier of the province from which I come. He tried all these things. It is a wonder they did not discuss the matter with him because he has tried everything they are going to do now. He put up funds. He said one time that he was going to create all types of industry and that this was the answer to the problem there. What was the result? A woollen mill on the rocks, a shoe factory, a box factory—

Mr. Douglas: More industries than the province ever had and not one Tory in the legislature.

Mr. Korchinski: —you name it. And so on down the line. You will find that the only type of industry that has ever been successful is one where there has been a monopoly, where you can charge as much as you want, where there is no competition. Then the industry will survive. This is supposed to be the answer to the unemployment problem. This is the bold action from a government which said that Canada is going to the dogs.

Mr. Gundlock: Forty days gone.

Mr. Korchinski: Somebody says that 40 days are gone. What have we got? Only a repetition of the same mistakes that the province of Saskatchewan made 20 years ago. The government will appoint the board. What power will it have? Will we put money into some industry and find it does not pan out and then put in more good money after bad as was done in the province of Saskatchewan?

What is going to happen with the present provincial leader in the province of Saskatchewan, Mr. Thatcher? He tried to kick down the door of the provincial legislature in order to tell the N.D.P. in that province that they are not doing the right thing. Yet the Liberals here in Ottawa are going to do the very thing that the C.C.F. proved was wrong in the province of Saskatchewan, and this is supposed to be the answer to the unemployment problem.

Let us go on. Will we have a repetition of the same mistakes, only to get the same answers? You have a development plan for the Atlantic provinces, you have legislation for central Canada, but what is going to be done for our province of Saskatchewan? For example, the hon. member for Burnaby-Coquitlam must be aware of all the potential that exists in my constituency. He said something about industries. I can show him silica sand deposits, I can show him timber, I can show him water resources, I can show him fish in that area. What has he done? Nothing.

Mr. Douglas: Have you heard about Squaw rapids and the timber board?

Mr. Korchinski: I have heard about the timber board and all the timber board did was to lay off people in that area at a time when the N.D.P. were crying about unemployment. People have talked to me about it. Is it any wonder that people who know about the timber board will not support their party?

Mr. Douglas: They do.

Mr. Korchinski: The situation in Saskatchewan is well known and certainly the hon. member for Burnaby-Coquitlam should be quite well aware of that fact because the people indicated in no uncertain terms a year ago what they thought of that type of planning.

I come now to the municipal development board. This is merely an extension of legislation now in effect with regard to sewer and water programs. There will be a forgiveness clause. How long is the period to be? Nobody knows. There is nothing wrong with that type of legislation but it is repetition. Where is the bold new action we were led to believe would come from the Liberal party? There is nothing.

The provision for an economic council for Canada is just another name for the national productivity council. Again I say that all the Liberals will do will be to make new appointments and put a new man at the head of it. Perhaps some of their candidates who were not successful will be on that board. They were unsuccessful in one place but they will put them in another place, to make a success.

Contributory pensions are another idea that we had. They told us in the last session of parliament that their one big aim was to destroy a government that had nothing to offer, and yet they are offering the very things we did. Where is that bold new action? It is not coming and will not come from them. No.

They tell us that in a few years we will have a new flag. I wonder whether on his recent trip south the Prime Minister of Canada discussed this matter with the president and

decided that perhaps one more star on their flag would be the solution. Is there agreement in this regard? After all, there seems to be agreement on everything else. It would appear from all the commentators in the press and on the radio that we have reached a wonderful Utopia. Just one little trip to the south and everything is fine.

As a matter of fact, I came through the United States myself when I drove to Ottawa. There is nothing wrong with going there, but to think that we will get all the answers because we have a new Prime Minister who cannot say no to anything seems to me to be stretching the imagination pretty far. The throne speech has been called imaginative, but you have to stretch your imagination to see what is in it that is new. Nothing, I say. After all, the flag of the country to the south has flown over military installations in this country in the past. There was nothing wrong with money from that country coming to Liberal headquarters during the campaign. That was wonderful. They had every assistance on television and in the press, all across Canada. To what avail? They could not convince the people, even with all their money. It is entirely up to the United States as to what they want to do, but I understand they want to have a member in this house, somebody to be their spokesman. Apparently the ambassadors are to sit on the sidelines. I understand that Congressman Hays has introduced a bill to this effect, which also makes provision for Canadian representation in their legislative bodies. Can you imagine Canada having an effective voice in their house of representatives and senate? Their spokesman would have every right to come into the Canadian House of Commons, tell us what they believe and perhaps give us an indication of what is necessary for Canada. Wonderful.

Now we come to some of the new ideas in the throne speech. One of them is to have two ministers of agriculture. I think it would be a good idea to have a lot of ministers of agriculture. That is evident from some of the experiences we have had in the last couple of days. I think the Prime Minister should have asked the new Minister of Agriculture (Mr. Hays) one thing: "Have you read the agricultural platform of the Liberal party?" In that way he would prepare himself for the type of questions that may be asked him. I am sure he has no idea, as is evident, of what is in that platform; if there is a platform; but they did put out some material it would be very nice if he had read it.

I asked a question the other day: What is the higher initial price for oats and barley? It was taken as notice. I have just had a phone call. Seeding is almost finished and I should like to know what that higher price for oats and barley is. The former minister of agriculture rose today and told us that the price of barley has gone down. What did their platform mean? Is that not perpetrating a hoax? What were they trying to tell the people of the west? Is it any wonder they have so few members from the west? I have a pamphlet here issued by the Liberal party, and do you know what it says? "Ensure a minimum return on wheat". I emphasize the word "minimum" because that is exactly what we are heading for. It says "minimum".

Why do we need two ministers of agriculture? Would it be because they wish to have somebody to whom they can pass the buck? Whenever you do not want to make a decision, you hand it over to the other man.

Just a few minutes ago there were two members talking behind the curtains. They were both talking about sugar beets, but one was from Ontario and one was from Alberta. Who will look after the problem? How are you going to solve that? What about hogs? What about eggs? What about cattle? What about grain, for example, that will be sold in the east and grown in the west? Who is supposed to decide that problem? Where do we go? Is this an admission by the Liberals that they cannot possibly handle the problems with one minister? Already, they have taken the wheat board away from the department of agriculture. We used to have one minister who did a remarkable job. We had one of the greatest ministers of agriculture Canada ever had. The Liberals are admitting that they cannot handle these problems, so they take the wheat board away from the Minister of Agriculture. Then, they will split the remainder of the responsibilities in half. I understand, too, that they are supposed to set up another cabinet minister to deal with Saskatchewan. Then, there is supposed to be another committee. What are we going to have, Mr. Speaker? Who is supposed to be charged with these responsibilities? To whom do I go in the event that there are problems?—and there will be many agricultural problems, according to evidence already produced.

One of the first acts of the Minister of Agriculture (Mr. Hays) was to reduce the price support on whole milk. I saw an article in the Ottawa *Citizen* of May 22 entitled, "Bread price rise may follow milk." It reads:

> Rising prices of powdered milk across Canada could lead to higher prices for bread, dairy industry spokesmen say . . .
>
> The milk powder increases were sparked by the removal of a federal government subsidy to farmers of 25 cents for 100 pounds of whole milk.

To whom do I go with a problem like that? Already, it is evident that we cannot get answers. It is evident that there will be problems, and to whom do we go? A strange new

animal is going to make its appearance here, something with two heads. The other day the hon. member for Shefford (Mr. Rondeau) asked a question of the minister. What kind of answer did he get? He was informed that the new plan for the Department of Agriculture would save the treasury some $6 million. This is the first aim, to save the treasury money and forget about the farmers. They want to forget about the farmers, whether they are from the east or the west. Perhaps this is what the Prime Minister meant when he spoke in New Brunswick and said they were not going to spend a single nickel. Is this what he was referring to, that they were not going to cut off all grants?

We had the acreage payment, and what do we get? There was a promise of $2 per bushel for wheat. Apparently, however, this does not have the priority to be included within the 60 days of decision. When will it be included, Mr. Speaker, if ever? What are we supposed to do? Are we to wait until just before another election, only to find they will use that same old bribe? I can remember the years when they pitted the east against the west. During the last five or six years, we have been able to smooth this over. In other words, we have put the farmers in a position where for once they have had a fair share of attention given to them. The Liberals are putting us right back into that old position. They are doing this because they have only one thing in mind, to hang on to power. Since Saskatchewan did not give them any representatives, they will go in a roundabout way to see what they can do to get a few members from that area. May I suggest, Mr. Speaker, that they have a lot to learn.

The other day they sent an invitation to one of our more illustrious members, the hon. member for Humboldt-Melfort-Tisdale (Mr. Rapp), to sit on their side of the house. I can assure them he will teach them plenty. He has done a terrific job in bringing to the government's attention the needs of his constituency. I can assure the Liberals that if they would take the time to read some of the literature that has been published, such as the brief put out by the farmers' union, they would learn something. They offer us nothing but two heads for agriculture. The farmers had better be satisfied with that.

We are told the government will establish a ministry of industry which is supposed to solve the problems of industry. What will it do for my constituency? I have already pointed out the potentials existing in my area. We have mines, we have timber, we have water, we have good farmland and we have the people. If the government just deals with the areas of chronic unemployment, they will just deal with Toronto. They will deal with the cities because those are the areas in which chronic unemployment is evident. Will they concern themselves with other areas? Will they try to boost the economy of other areas? They will not, because that does not have priority. The Prime Minister has said that the best way to prosperity for farmers throughout the country is through the expansion of markets at home and abroad. Is it any wonder that he needs two ministers of agriculture? I think he will keep one at home and he will send the other one on a trip. I suggest that if he is going to send any minister of agriculture on a trip, he should send the present one, because obviously we have not had an indication from this minister that there will be $2 wheat or that there will be an increase in the initial price of oats and barley, or other legislation. The only indication we have received is that there will be an expansion of the Department of Agriculture. We are going to have more ministers, more secretaries and so on. This is supposed to solve the unemployment problem.

One of the things that was evident under the former administration was that the western farmers were getting their fair share of attention. One of the things that was evident was the amount of machinery the farmers were beginning to buy. I found over the last couple of years that the farmers were not grumbling as they had under the Liberal government. We managed to get them into a position where they received their share of attention. They were not unhappy over the fact the maritimes got its share of attention. They were not unhappy over the fact that eastern Canada got its share of attention. They were happy over the fact that for once they were getting their share of attention.

There was an article in the Winnipeg *Tribune* dated February 22, 1963 entitled "Western prosperity", and it read:

> One of the indicators of relative farm prosperity is the statistics of farm implement sales. When farm income rises it is followed immediately by an increase in the consumption of goods of all kinds, particularly farm machinery.
>
> According to figures released by the dominion bureau of statistics, sales of farm implements and equipment in 1962 were valued at wholesale prices as an estimated $279,019,000 or an increase over 1961 of 15.6 per cent...
>
> There could hardly be a more concrete confirmation of the general proposition that the government's agricultural policies have benefited western Canada.

I should like the new government to take note of that because any time the western farmer gets his fair share of attention and is prosperous, that money will be channelled back into the east. We have been trying to remind the Liberals of this fact. Every time there is any indication the farmer might have

a good crop, the agents will be on his doorstep to see what they can sell him. The farmer will buy just as he has in the past. This government should take note of that fact. Instead of running around setting up all kinds of ministers, I think they should get down to the basic problem of trying to put more money into the hands of the farmers. They should forget about playing politics and give the farmers the acreage payments, even if we did introduce them.

It is an odd thing, Mr. Speaker, but when we ask questions of the minister we do not get any replies. I cannot blame him if he does not have all the answers because this is a difficult department to administer and no doubt it is difficult for him to know all the answers. It is difficult to know all the answers, and we will not hold him to that. But here is one of the pamphlets put out by the Liberal party dealing with today's problems where they answer these problems. When will we get the answers? Do we have to wait for another throne speech to get some of the answers? We will never get them from this government.

What is going to happen if the decision of one minister on one course of action disagrees with the decision of the other minister? What are they going to do? Are they going to look around to see who gets more votes, or which has the biggest voting potential east or west. What about the maritimes? What about the people of British Columbia, the fruit producers? Mr. Speaker, I do not know how long I have been on my feet.

Some hon. Members: Too long.

Mr. Korchinski: Too long for the Liberals, they tell me.

An hon. Member: Too long for the gallery, too.

Mr. Korchinski: I think one of the things for which this throne speech will be noted is its omissions. I have plenty of pamphlets which I have picked up on the way. The Liberals had candidates all over the place, and they really concentrated on the western areas, mine being one of them. They offered everything. There was our program for the north, which the Prime Minister called a program of building roads from igloo to igloo. He has not mentioned anything about that in the speech from the throne. He is going to ignore that part of the country because there are not too many votes to be garnered there. They are not too concerned about that part of Canada. Do they think they will look after unemployment that way? One of their candidates said they were going to do something about roads to resources and roads to the north. What kind of a position does this put the candidates in from those areas? I am sure they must be somewhat ashamed of the manner in which the Liberal party is acting today in connection with those very things.

I have the pamphlets here. How can these candidates stand for the very things they thought their party leader would do for them? How can they answer these charges? They cannot, because it is impossible to do so. The Liberal party just does not do anything, period. That is exactly what they have been noted for in the past. This has been their theme for years. They will offer a little carrot here and perhaps talk about these things. Biculturalism is a wonderful thing. I think I have almost as many people in my constituency from different countries and of different nationalities as any hon. member. I think these people are interested in living together, because they have proved in the past that they can live together. But the Liberal party at election times just offers a little carrot here and there in order to get votes.

What about the scholarships which they promised? If this is supposed to solve part of the unemployment problem, why is there no mention of scholarships? They ignore that. Perhaps we will hear about scholarships before the next election. According to the speech from the throne one of the greatest problems in Canada today is unemployment. If unemployment is one of the greatest problems—and I assure the house that it is a problem—why are there not two ministers of labour? Why did they ignore labour in this respect? If they think that agriculture needs the attention of two ministers, why not appoint two ministers to deal with the problems of labour? It seems to me the only reason they are trying to give agriculture that type of attention is because they were sadly lacking in votes in agriculture areas. If so many people are suffering as the result of unemployment, I suggest to the Prime Minister that instead of filling his cabinet with unnecessary members he should appoint two ministers of labour, one for employment and one for unemployment, if he wishes.

Mr. Macdonald: It would be Tory unemployment.

Mr. Korchinski: I think that department could be improved, if he wishes, and I think there might be room for more people working within that department to see if we cannot solve this problem. It is a problem, I assure the house. I am sure that everybody in this house would like to see the day when we would have no unemployment. It does not matter where we sit, whether we are members of the official opposition, the other opposition parties, or the government, I am sure this

is first and foremost in our minds. But what do they do? They make it appear to the country that agriculture is sadly lacking in solutions. They make it appear that we need to have two ministers of agriculture, and at the same time they admit to having no solutions for these problems. They have none of the bold action about which they spoke. Where is the boldness now? They just tiptoe through the tulips; that is what they are doing. They are walking in darkness, because they haven't a clue. They had television and the newspapers on their side, and they had the money, and they sold ideas which were not exactly according to the facts.

Mr. Deputy Speaker: Order. I regret that I must interrupt the hon. gentleman and inform him that his time has expired.

Mr. Jack Davis (Coast-Capilano): Mr. Deputy Speaker, like others before me I should like to congratulate you upon election to your high office, and through you I should like to extend my congratulations to the Speaker. I know that both of you will show the ability, integrity and impartiality of your high office in administering the affairs of this house.

The leader of the Social Credit party decried the fact that we talk politics in this House of Commons. This is the place where we should talk politics. But we should at least be agreed, not only upon our Speaker and his impartiality but upon many of the facts which are often in dispute. Among these I would include facts as to economic realities. The speech from the throne contains the proposal that this parliament pass legislation with respect to a national economic council. We need a national economic council in this country in order to determine what the current trends are. The council may make forecasts of various kinds, but these forecasts are merely an indication of what basic, underlying trends and forces are currently at work in our economy.

This national economic council must not be a secretive body. It must work with agencies, particularly economic research groups, representatives of management and representatives of trade unions. It must communicate freely and frequently with them. I would argue that it should be staffed in large part by men who are seconded for relatively short periods of time from management and labour. In that way the government would certainly be better informed, and industry, management and labour would know to a much greater extent where we are going. If where we are going does not satisfy management, industry and labour, then we obviously have to change things. But at least these trends will be clearly mapped out. We will not be arguing much about what has happened in the distant past or what is happening currently, but more about where we should be going and what should be done with respect to redirecting our economy in ways we think are most desirable.

In other words, we should be arguing more about long term goals and objectives, more about policy, more about politics in the sense of the fundamental shape of the Canadian economy and our nation in the years to come.

Mr. Woolliams: It is pretty good now.

Mr. Davis: We need long term forecasting and long term planning, because at the moment we are looking ahead essentially a year at a time. Our annual budgets merely look ahead one year, but many investments made by individuals and industry are in assets, buildings and equipment which will last, not five or ten years, but 25, 50 years or even a century.

In order to make decisions intelligently we must be looking ahead not just one year but much further into the future, and the national economic development council will help us to do just that. It will remove a lot of uncertainties. Government will not be introducing policies and legislation whose provisions conflict with each other. Industries and individuals throughout this country will know better where they are going and what alternatives are open to them. They will be able to make their own decisions and invest in the light of the best possible information.

Also in the speech from the throne is a proposal for the setting up of a new department of industry. We have had traditionally in this country a Department of Trade and Commerce nominally, at least, concerned with international trade. More recently we have had a Department of Defence Production concerned primarily with buying munitions of war for our armed forces. But many of the decisions taken by these departments have influenced industry in this country. The setting up of a new department of industry will enable us to deal more directly and more frankly with industrial development in Canada.

The Glassco commission recommended the establishment of a purchasing department incorporating the Department of Defence Production. The new department of industry will be more than that. It will be a department whose actions, contracts and placement of requirements will influence industry to an undoubted extent, but within an over-all framework of flexible targets and long term objectives.

Economic research is one thing, but in addition to economic research we should do

a great deal more scientific and basic research. We do not do much of the latter at the present time. The new department of industry will help to stimulate scientific and industrial research. It could do so in various ways, through tax incentives and so on. I personally think we would be well advised to make Canada a tax haven in respect of research and development of various kinds. We should define research broadly and should free from the imposition of income tax the results of research, particularly royalties and revenues from the sale of what are essentially ideas. This would not only encourage the development of new industries in this country but it would cause some large international corporations, which so far have been very shy about carrying out any research here, to do so in the future.

Think of what this would mean in terms of employment for scientifically trained people, particularly for our youth. This is an area in which we have little to lose because at the present time we do not gain much from these activities. This is the type of activity which I sincerely hope the new department will encourage as part of a comprehensive program of revitalizing our country and increasing the opportunities of ownership in industry in Canada. I mention ownership because ownership generally follows ideas. The people who create new ideas are generally on the inside track. It is where research is done and where management is aware of the opportunities offered by scientific research that one finds opportunities to hold the equity control of new companies. I think this is important for Canada's future, particularly as the trend for many years now has been toward increased foreign ownership. This is one of the more positive and more liberal ways of increasing Canadian ownership in Canadian industry.

The new department of industry will have under its jurisdiction the national development corporation. This corporation will provide funds for the creation of certain new industries in circumstances where private enterprise does not, at least as yet, see its way clear to establish industries without substantial subsidy. I can think of various projects which I, personally, would like to see launched and I am sure every other hon. member has other projects in mind which he considers are on the verge of being economic propositions. Some of these could be accelerated if the government got into the picture at an early stage. One scheme which I have been pushing for years concerns the processing of uranium in this country to convert it into forms which are useable overseas in a variety of applications—power plants, submarines, cargo ships and so on. At present we only produce raw natural uranium. We should be able to convert it into a more saleable form. Today, we are unable to sell a large part of our uranium production in its natural state. We would have to sell it to the United States atomic energy commission, and that commission is following a policy of making the United States self-sufficient in respect of uranium supplies. In other words, we cannot sell to the United States and we cannot process the product here.

I am not advocating the creation of large numbers of crown corporations one after the other. I think they might well be created at times but, surely, relatively low cost money is a sufficient advantage. It must be remembered that the majority of these corporations operate free of taxes in various respects and, certainly, free of income tax. Thus they enjoy a great advantage over the private sector of the economy.

If we go on in this way, if we continue this immense financial bias in the creation of crown companies we shall eventually arrive at the creation of a socialistic state north of the international boundary. I think we should develop a mechanism for selling off these crown corporations. This has been done in other parts of the world. West Germany, for example, sold the Volkswagen factory in such a way that the people were able to participate in its ownership. Shares were distributed in various areas in Germany and a tax incentive is still provided, all of which has ensured that the company is largely in the hands of West German nationals. I think we could devise ways in Canada of getting government out of business as well as into business, as well as ways of creating Canadian ownership and retaining ownership in this country. This is essential, and we need effective arrangements of this kind if, in fact, we are going to buy back a substantial amount of the ownership of industry within this great nation of ours.

I must insist on this: in order to grow we must also change, and in the process of change certain industries are bound eventually to decline; they must make way for newer and more vital industries. In speeches in our chambers of commerce the emphasis has always been on growth—on the growing industries rather than on the declining industries, those which have to receive government support in the form of subsidies and so on. Provision has been made for tremendous subsidies to the coal mining industry, for example. At the other extreme we are subsidizing nuclear power, which is not yet an economic proposition. At the same time we are heavily taxing the truly economic industries of oil and gas and, to a lesser extent, hydroelectric power. This is not the

way to improve the economy of the country unless, taking the long view, we are consciously allowing the old and less economic industries to die. One of the best ways of letting them die is to leave them in the private sector.

I believe we need more economic information, particularly economic information of a long term, fundamental type. But we must leave the policy-making essentially to the politicians, in other words to the members of this chamber, and have those policies debated in this chamber. We do need planning, but we do not have to be set inevitably on a course towards a collectivist state. I am a small "l" liberal. But I am also a big "L" Liberal in that I believe that at this time we have in the Liberal party the most effective team for bringing about a true nation with a true national identity and the maximum freedom for the individual in this country. I do not believe in buying the voter with his own taxes. I do not believe in running a continuous deficit in our budgets, because I believe that this is merely postponing to the future the shouldering of an immense financial burden. I believe it is merely confusing the individual Canadians of this country as to the course of events, if we do not lay long term policies before them but are merely borrowing on tomorrow and paying them subsidies and supports of one kind or another. In that way we are plunging inevitably toward some sort of collectivist state, and that is the main reason why I had no confidence in the Conservative party last year during the twenty fifth parliament.

We also have a tremendous deficit in our international balance of payments, a state of affairs which has existed for a number of years. This amounted to a substantial sum in the early fifties and it has continued in the last half dozen years. This, put in the most summary terms, means that we have been living beyond our means, that we have been borrowing from others. We have been able to borrow only because we mortgaged the resources and the ownership of industry in this country. We must not confuse the people any more. We must indicate, first, through long term economic projections, and then through distasteful policies, if necessary, what the alternatives are and what course we must follow if we are not only to balance our own budget internally but also to balance the budget we have with other countries, so as to buy back our inheritance and be independent, and really achieve this true north, strong and free.

The basic burden of my remarks this afternoon is essentially this. We need to look ahead. We need to go forward in the sense of knowing a little more what is happening, what the fundamental forces at work today are, and where we are going if we do not consciously change course and set our sails toward the objective which we all agree is desirable. We need good communications, and good communications mean at least a national economic council and a department of industry which will carry out a number of tasks which industry needs to perform, including industrial research and development. The speech from the throne was only the beginning, but I believe we have started on our way. I believe we are beginning to raise our eyes and look ahead, and for this reason, Mr. Speaker, I trust we will find tonight a majority in this house in support of the government.

(Translation):

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I wish to congratulate you upon your appointment as chairman of the committees of the whole. I am sure that your colleagues are confident that you will carry out these high functions to the satisfaction of all.

(Text):

Mr. Speaker, I would particularly extend my congratulations, and perhaps my commiserations, through you to my esteemed successor in the chair you now occupy. I must say that to anyone in this house who has been elected Speaker, who has been elected by his peers to be the first among them within this house, it is indeed an honour and a great responsibility. I am sure you will convey to the hon. member for Mount Royal, our present Speaker, my most sincere congratulations and best wishes. I am sure he is going to find the position both interesting and challenging, and not without its moments of excitement.

I would also wish at the beginning of these few remarks this afternoon to extend my congratulations to the hon. member for Northumberland (Miss Jewett) as the mover of the address in reply to the speech from the throne. I was particularly struck by the calm deliberation and rather spontaneous fluency with which she delivered her first speech in this house. As you know, Mr. Speaker, sometimes on these rather awe-inspiring occasions, such as one's first speech in the house, there is a tendency slavishly to follow a script, of course under the benign blind eye of Mr. Speaker. But here we did not have this, and while I must say that she did a very commendable job in moving the address in reply, I wish there had been rather more in the speech from the throne and then I think she could have done a better job.

(Translation):

I also wish to congratulate the hon. member for Lotbiniere (Mr. Choquette) on the manner he performed his task of seconding the address in reply to the speech from the throne. I had the opportunity to visit his riding as the guest of his illustrious predecessor, the Hon. Raymond O'Hurley, who is one of my good friends. I therefore know that he represents a fine riding where the people are most kind.

(Text):

I should like to raise a little point here which might interest the Secretary of State (Mr. Pickersgill). After all, we heard in the last speech some remarks by the parliamentary secretary to the Prime Minister (Mr. Davis). I recall on a previous occasion a former parliamentary secretary to the then prime minister express, shall we say, some ideas of his own, and he was accused of flying a kite. It is quite a responsibility for a parliamentary secretary to enunciate policy. This is a very neat point and I think the Secretary of State will remember the occasion. We have now heard the hon. member for Coast-Capilano indicate that he favours —and I wonder whether the government favours—the disposition or the disposal of crown corporations. This is a very important point, and I am wondering whether in this instance he is enunciating policy, or is he flying a kite for the government? He expressed ideas about many other things. I think perhaps he was expressing those ideas as his own, but I may say that in the position he now occupies he may go behind the curtain and listen to some advice from the Secretary of State.

I do not want to deliver a lecture to an hon. gentleman who was a colleague of mine at Oxford some years ago and whom I know as a man of whom Canada can be very proud. I think he is one of that post-war generation of young men who, in the family of Rhodes scholars—and here I excuse myself since I belong to them—have contributed a great deal to the public life of this country. I certainly welcome him and all those in this house who belong to that fraternity, if I may so describe it.

Before I turn to the speech from the throne I should like to acknowledge the support I have received from my constituency of Edmonton West.

Hon. members may not realize this. After all the press on numerous occasions has indicated, and not only the press but people who have some lack of knowledge about western Canada, that western Canada is composed only of rural constituencies and that the members on this side of the house who adhere to the Conservative party represent only agrarian constituencies. That is far from the case.

It may be of interest to the house to know that the constituency I represent is either the seventh or eighth most populous in the country, and is closely followed by two constituencies in Calgary and another in Edmonton-Strathcona. As a matter of fact, the three Edmonton constituencies are just as urban as almost any other in the country. Therefore, the fact that the three Edmonton constituencies are represented by members of the Progressive Conservative party, together with two constituencies in Calgary—and we were not too far off making a clean sweep in Calgary —would show it is inaccurate to state that it was only the farmers of western Canada who supported the Conservative party. Western Canada as a whole did that.

It may be, as someone has said, that some of the eastern dailies did not get out there. Certainly they did not have many people out there to survey the scene and, if I may introduce a personal note, those who did come, as in 1962, in 1963 said I was one of those people earmarked for sure defeat by some prime candidate of the Liberal party. I think these commentators, when they came out west, used to go into Calgary. I do not know what form of ouija board they consulted, but they always forecast that I was going to be the loser. The people of Edmonton West did not share that opinion.

As a matter of fact this time not only did the Liberals send in a lot of party bigwigs— I think we had the visitations of even the Secretary of State (Mr. Pickersgill), the Secretary of State for External Affairs (Mr. Martin), the Minister of Trade and Commerce (Mr. Sharp) and a few others—but we also had what I would consider the biggest flood of eastern Liberal money the west has ever seen. We all know the money had to be raised elsewhere because they were not raising it locally; but the net result was that my majority this time was doubled, and all the majorities of my colleagues in and about Edmonton were also increased. So, I say, let them send all the money they want and let them send the same people to visit the west and we are assured of being re-elected again.

The hon. member for Northumberland would have been far more effective if she had been supporting the type of speech which we had been led to expect, by the beating of bands and the sounding of trumpets prior to the opening of parliament. We were led to believe that this was going to be the speech of all speeches, that this was going to be the program that was to be the ultimate of all programs. The economy of Canada was to be

got going again. Well, Mr. Speaker, how can you get something going unless it had been previously stopped? I am sure there is not one hon. member opposite who will dare support the proposition that Canada's economy had slowed down to the point that it was almost stopped, because statistics—any kind at which they want to look—will absolutely refute that assertion.

I seem to recall that in 1962 the members of the opposition, and those people who supported them in the press, were forecasting a dire future for Canada. In May and June of 1962 they said we were going completely to the dogs, that our trade was going to be wiped away and we were heading for depression—mind you, not recession but depression. They also said the cost of living was going to zoom upwards. They did not mention that once in 1963.

We can look at the record in trade. I shall not give the figures because they have all been put on the record in the last few days. However, I shall refer to them briefly. It seems to me the Liberal party has suddenly discovered that Canada has got a deficit on its balance of international payments, but I ask when did Canada not have one? They seem to think this is a recent discovery, but I would point out in the matter of commodity trade, tremendous strides had been made, not by the former government but under the aegis of the government. They were made by Canadian business, by Canadian businessmen who did not believe those opposition forebodings of last year. Instead they went out and beat all records. The same is true of heavy industry which went out and beat the records of previous years. People in heavy industry did not believe the Liberal party, the New Democratic party or the Social Credit party. This in itself is a tribute to Canadian businessmen and industry.

Our industrial program has kept pace all the way along in 1963. If there was going to be a recession, 1962 was a flash in the pan. Steel and automobile production are up, and let me assure hon. gentlemen on the other side that the sales of automobiles back in January, February and March long predated any question that Liberals would form a minority administration. Record sales of automobiles are not a May wonder of 1963.

In addition, the cost of living has maintained an even keel, with a very minor advance, again showing that the forecasts, estimates and guesstimates of those experts, or so-called experts, of 1962 were very wrong.

What do they mean by "getting the economy going again"? I think it is just a mere slogan, something that has been borrowed from some other book. This was a catch phrase on another occasion, so let us not hear any more about getting the economy rolling or going again. Let them maintain the momentum. Then we will listen to government spokesmen; but let us not hear any more about getting it rolling again. Maintain the momentum and let it go forward.

Mr. Pickersgill: Would the hon. gentleman permit me to ask him a question?

Mr. Lambert: Certainly.

Mr. Pickersgill: Does the hon. gentleman not think it would be a good idea to get the half million unemployed, that we inherited as a legacy from hon. gentlemen opposite, going again at work?

Mr. Lambert: The hon. gentleman must have some form of telepathy because I was just coming to deal with the question of unemployment and those measures which seem to be proposed. When one looks at the question of unemployment he needs to cast his mind back to 1956 and 1957, when an industrial slow-down was approaching. It was certainly there then. It did not come as an event of July, 1957. It was already well on its way. Be that as it may, unfortunately at the present time there are some 462,000 unemployed in the whole of Canada. This is not to say that there is the same saturation of unemployment throughout all regions. The hon. member for Îles-de-la-Madeleine (Mr. Sauve) yesterday indicated, with I think the appropriate emphasis, and this a point that is quite forgotten, that unfortunately unemployment is much heavier in certain regions of Canada than it is in others, and that it has been chronically so. I have here an extract from *Le Devoir* of the other day commenting upon the latest release of the dominion bureau of statistics. This is the headline:

(Translation):

Le Devoir

Quebec has 40 per cent of the unemployed.

Mr. Pickersgill: Of the country?

Mr. Lambert: Of the country.

(Text):

That is not in the headline. But the point that the hon. member indicated is so. Even in 1956 Quebec unfortunately counted between 35 and 40 per cent of the unemployed. It has been consistently so. There is much heavier unemployment in the maritime provinces. Certainly in the area from which I come we have some unemployment, but the percentage is down to 4.4 and this article says that in the eyes of certain economists that is equivalent to full employment. But you must remember that when you talk about the total of unemployment or certain areas of unemployment you do not speak of the whole of the country. We have been partic-

ularly blessed in the past few years with a booming economy and advance.

Some hon. Members: Social Credit.

Mr. Lambert: Hon. members say "Social Credit". I would say no. It is because of oil put there by divine Providence; and there are many other things. The province of Manitoba is in good condition too, but the province of Saskatchewan is not in as good condition as Alberta or Manitoba. The point is that we must not forget that the question of unemployment is not necessarily a national problem, with the same degree of intensity throughout the country. Therefore certain steps have to be taken.

I note in the speech from the throne that the government is going to expand vocational and technical training. This is really the only immediate step they are considering. What are they doing but continuing the program inaugurated by the Conservative government some two years ago? I would say to the hon. member for Îles-de-la-Madeleine (Mr. Sauve) as I would say to his colleagues from the province of Quebec that it is indeed unfortunate—I will not go into the reasons why—that in that province they have not seen fit or have not been able to avail themselves of these facilities to the same degree as other regions of Canada have.

(Translation):

Some grants have been given to Ontario. Comparing the situation in Quebec and in Ontario, one of the ministers from Quebec said the other day that Quebec was entitled to so many million dollars under the technical training assistance program.

Are you aware of the fact that in my own county of Edmonton West we received more than $16 million in grants, while during the same period the province of Quebec was getting only $13 million? In that county we have paved the way to these grants, and as from next September, our students will be able to enroll in those schools.

I do not share my colleague's viewpoint. I do not believe that we should be giving grants all the time and indiscriminately. It is up to them to come and get those grants if they want to go ahead.

So, why complain?

Why those recriminations against the province of Ontario and western Canada? We wish to avoid disputes between regions. The assistance plan was available; it was up to them to try to share in it; they should have come into it to a greater extent.

(Text):

Now we come to another item, the municipal development and loan board. As has been indicated by other hon. members, I am wondering just what consultation has taken place with the provinces in regard to this program.

Mr. Grafftey: None.

Mr. Lambert: Mr. Speaker, I do not wish to anticipate the debate on item No. 2 under government orders on today's order paper but there is some elaboration of this point in the resolution found there which contains these words:

> —to enable municipalities to augment or accelerate their capital works programs subject to the approval of the provinces concerned.

Just what consultation has been held with the provinces in this regard? There always has been agreement between the federal government and the provinces in these matters. There always has to be a program and there has to be agreement between the provinces and the federal government before any part of the program can be put into effect. If hon. members will consult the legislation I think they will see that a municipality may come before the board to borrow. Will that borrowing have to be within the limits on borrowing set by the provincial municipal board or equivalent body? What control will there be by that provincial authority? After all, the municipalities are creations of the provinces. What control on borrowings will there be if a municipality can come to the federal government and get either grants or loans for such works? This is something that we would like to know. It will be most interesting to discover what the Minister of Finance (Mr. Gordon) will disclose to us in this regard.

I was also intrigued by the other joint programs that have been announced in the light of the solemn undertaking by the Liberal party that they would be getting out of joint programs because there is a price that has to be paid for the collaboration of the province of Quebec, and so far as they were concerned this was it. Let us not also disregard the fact that there was an ultimatum served by the premier of the province of Quebec. I can go back to page 10 of *Hansard* of May 17 where the Prime Minister (Mr. Pearson), in reply to the hon. member for Lapointe (Mr. Gregoire), denied that this was so and said:

> —I am aware of no ultimatum from the province of Quebec on any subject.

Yet we read in today's *La Presse* a report of a press conference with the premier of the province of Quebec in which he said that his speech was very definitely an ultimatum to the federal government. So what have they done in regard to this matter?

Mr. Woolliams: I wonder what other members from other parts of Canada think?

Mr. Lambert: As the hon. member for Bow River (Mr. Woolliams) says, what do the other provinces say about these arrangements? What do other hon. members of this house have to say with regard to such treatment?

Then we come to another measure, the Canada development corporation proposed in the speech from the throne for the purpose of increasing Canadian ownership of industry. How is this going to be achieved? As was pointed out the other day by a financial writer, in order to have a change of ownership there must be consent. If there is at present foreign ownership of certain Canadian industries then you must have the consent of the present owners unless there is going to be expropriation or confiscation.

Mr. Pickersgill: I wonder if the hon. gentleman would permit me to interrupt for one second to clear up one point, because this might be very deleterious to Canada. There is no thought whatsoever of any powers of expropriation in connection with this legislation.

Mr. Lambert: Well, I am glad the Secretary of State (Mr. Pickersgill) has clarified the legislation before it comes to us. However, I am still raising this question. It is a question in the minds of a lot of people.

Mr. Pickersgill: That is why I wanted to remove it.

Mr. Lambert: All right, then; we have the Secretary of State disclosing particulars of a certain bill before it reaches us.

There are a lot of other things about which I should like to speak.

(Translation):

Mr. Speaker, I would say a few words about our dual culture in Canada and the commission which the government proposes to set up in order to study the problem. I trust, as the hon. member for Îles-de-la-Madeleine (Mr. Sauve) already said, and as some newspapers have pointed out, that this commission will not become a haven for the protégés of the Liberal party.

I would like the French members of that commission not to be recruited in the province of Quebec only, because I must say to hon. members that the French fact in Canada is not present in that province alone.

Indeed, the question of bilingualism does not only interest the province of Quebec, or the English or French speaking citizens. I am somewhat astonished that people seem to limit the problem of bilingualism to eastern Canada. But, gentlemen, what are you going to do with those citizens that are of Ukrainian or German extraction, if they live in western Canada and who are much more numerous than their French speaking fellow citizens? They cannot be ignored. They are living in Canada, they are Canadian citizens. Consequently, they may not be ignored. I think that an error is being committed when speaking merely of an investigation to settle certain problems that arise between the French and English elements.

But this is not all. Certainly, this is a problem which must be settled, but it does not only arise between French speaking and English speaking Canadians, because Canadian citizens of Ukrainian origin or of German origin also have a culture of their own.

I, therefore, urge hon. members from the province of Quebec to visit western Canada and to meet our fellow citizens of German and Ukrainian origin out there, instead of going to Florida, to Atlantic City or New York, as they are now doing. They should come and visit our beautiful part of the country, using the trans-Canada highway or travelling by the Canadian National or the Canadian Pacific Railways or even trans-Canada airways.

Hon. members from the province of Quebec, come and see us. You will be most welcome and you will indirectly help to alleviate the burden of the Minister of Finance (Mr. Gordon) because you will contribute to a reduction of the deficit situation of the tourist industry. Spend your money in Canada. Go visit western Canada and discover what Canada and the Canadian people mean.

Besides, you could not make any such discovery in the papers, because there is a total lack of communication and co-operation between them. As a matter of fact you can read all the Montreal or Quebec city papers you want, you will find no report on western Canada unless it involves some scandal, some murder, or some serious highway accident. Except for those spectacular news items, nothing is ever said about western Canada.

Mr. Deputy Speaker: Order. It is with regret that I must advise the hon. member that his time is up.

(Text):

Mr. D. G. Hahn (Broadview): Mr. Speaker, I should like first to follow the traditions and customs of this house by extending to you my congratulations on your appointment to the position of responsibility you now have. The unanimous nature in which this appointment was approved by the house, I think, bears adequate testimony to your ability to discharge these responsibilities. I should like also to congratulate the hon. member for Northumberland (Miss Jewett) and the hon. member for Lotbiniere (Mr. Choquette) upon the manner in which they have moved and seconded the address in reply to the speech from the throne. The standards they have set make it difficult for those of us who follow.

I stand here in this assembly making my maiden speech, and I confess to the usual amount of nervousness that most new members must feel. However, I also confess to a feeling of pride. I, like everybody here, am proud to be a Canadian. As a Canadian, I am particularly proud to be able to stand in this house, the greatest of our Canadian institutions, and represent the people of my constituency. As a member of this institution, I am proud that I am standing on this side of the house supporting the new Liberal government, for I strongly feel that this government will be a great government.

As a new member, Mr. Speaker, I come to this house with a certain amount of idealism about it, with a certain amount of respect for the institution. I know that the last session of parliament has been discussed by many who felt it was not up to the mark. Since I have been here I have heard comments, particularly from some hon. members on the other side of the house, concerning the failures, and the causes of the failures of the last parliament. I have heard suggestions given, primarily to us on the government side, about what might be done to rectify the situation. Perhaps it is impertinent for me, as a new member, to discuss these things, but having sat here and listened to the things that have been said I feel, first of all, that I cannot help agreeing with many of the things that have been said from the other side of the house.

However, it seems to me that some things have been left unsaid. As I have said previously, we have a responsibility to recognize the rights of minority parties, to recognize the importance of parliament. However, I believe hon. gentlemen opposite must realize there are two sides to the question. There are two sides to this house. They, too, have a responsibility. They have the responsibility to conduct their opposition vigorously and to the best of their ability; but I think that all of us must bear in mind that we are here, not to continue the last election campaign but to conduct the nation's business. I think that if members on both sides of the house will recognize this, then, at the end of our first session, we new members will have kept our respect and idealism.

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. Hahn: Mr. Speaker, before the recess I had completed my introductions and would now like to move on to the main points which I should like to discuss. My riding is Broadview, which is a downtown Toronto riding. Most of the people in my riding depend either directly or indirectly on industry for their livelihood. To my constituents unemployment is a very real, critical problem. Throughout the campaign and since, many, many people have come to me with the problem of finding a job. There is not much point talking to these people about the booming conditions in our economy because to them it does not mean very much. While the figures that have been cited in this house do indicate that we have made progress in the last year, we still have not solved this most critical of problems. So that if I talk of boom to my people, they talk to me about jobs.

We all know that unemployment is probably the worst blight on our society. We all know what unemployment does to the self-esteem of a man who wants to work but who is rejected time after time. We know we cannot let this continue. We also know that while we have unemployment we cannot do many of the other things that we want to do for our people. There is no magic wand. Our economy cannot support advanced social measures while it is supporting a large number of people who should be working. It is imperative that this problem be recognized, that it be tackled and tackled effectively. I believe, from the measures I have seen in the speech from the throne, that our government is going to do just that.

Mr. Speaker, I should like to outline the basis of the problem as I see it and then show what I think we can do about it. First of all, where do the jobs come from? Over the next few years we have to find large numbers of new jobs each year. Where do we find them? I think we also know that most jobs must come from industry. Therefore if we are going to create new jobs, this is the area to which we must look. We know that in order to expand our industry we have to produce some of the things that we are now consuming but which we are bringing in from outside our country. We also know that probably one fifth of our jobs depend on exports. Therefore as our jobs must grow, so must we increase our exports.

How are we equipped now to do that job? What is the condition of our industry? I think we all know that you can sell a product either because it is cheap and competitively priced, or because it is of a unique design that nobody else has. These are the two criteria upon which you can make sales.

In Canada our manufacturers are generally producing for the Canadian market, a market of 18 million people. This is a low volume. Yet our wage structure is high in relation to our European competitors, and it is close to

that of our competitor to the south. We therefore have a situation of relatively high wage costs and low volumes of production. The two together mean that our costs are high.

What about our ability to design our own products and produce unique designs? We are not doing it, by and large, because most of our companies are either subsidiaries of foreign concerns, using the design of their parent concern outside this country, or they are Canadian concerns that are buying its research and development through licensing agreements with foreign concerns. We in this country are not producing our own unique designs. So that we do not have either low cost or unique design.

If I may cite an example from my own experience, we were producing home laundry equipment. This was a product designed in the United States and we were working under a licensing agreement. In Canada we produced in one year what the United States concern produced in five days. How could we hope to take a carbon copy of their product and try and compete with them in export markets? This was an impossibility.

My predecessor from Broadview, the former minister of trade and commerce, was very active in trying to stimulate exports. I believe that the principles upon which his trade drives were based were sound, but I also feel that somehow the cart got ahead of the horse. We had built up a sales force and were trying to sell before we had products to put on the market, and before we had negotiated the necessary trade agreements so that we did have a market. These are difficult problems to solve, and anybody who claims he can solve them overnight or in 60 days is not basing his claim on realism.

Some hon. Members: Hear, hear.

Mr. Woolliams: That's for sure.

Mr. Hahn: But there is a vast difference between solving a problem and admitting that it exists and taking the action necessary to tackle it. And that is what we are doing.

Some hon. Members: Hear, hear.

Mr. Hahn: I believe, Mr. Speaker, that the measures outlined in the speech from the throne will start the action necessary to effect the cures that we must have. I should like to look briefly at some of these measures. First of all, it has been said in this house that we have proposed nothing that will put people to work quickly. Well, I dispute that. The municipal loan fund is to me our shot in the arm, our shock treatment. It can and will put people to work quickly. That is one of its purposes. The type of things that will be done under this program are projects that can be implemented and put into effect quite quickly. So that through the municipal loan fund we should be able to take up the slack, to put people to work, to get them to work in a hurry.

We also know that this is no long term cure. We know this will not solve the problem, because we know we must also increase our industry. This is why we are suggesting that we set up a department of industry. The department of industry will have the responsibility of solving what I call the technical problems that face us. It will have to tackle the problem of our high costs; it will have to tackle the problem of research and development in this country. It must also bring together management and labour so that instead of these two groups battling each other and treating each other with suspicion, as they have in the past, they will work together, realizing that their enemy is not each other but that they must join together and battle the common enemy of world competition around us.

We in Canada have the ability, the technical knowledge and the skill to do well in the area of research. I have only to point to the number of Beavers, Otters and Caribou flying around in the skies of the world to indicate what can be done by this country. While tax incentives may be one way of encouraging research they would be of little use, it seems to me, when a company would not realize the profit from its research work for a number of years, or in the case of a company without sufficient capital to launch a research project. I think some of the suggestions made by my hon. friend from Coast-Capilano (Mr. Davis) might be effective in dealing with this situation.

The new department of industry will have to look at the situation as our tariffs come down, and devise ways and means in which our industry can prepare itself to make an onslaught on world markets. This department could also produce some immediate short range benefits. During the election campaign the present Minister of Finance (Mr. Gordon) talked about what might be done in the automobile industry. The suggestions he had to make then could be applied in the case of many industries.

Let us take an example with which I am familiar, the home laundry equipment industry. We had a range of home laundry products consisting of 15 models with five different machine tops required for them. If we had received some direction from the government and knew our competitors were thinking along the same lines, we might have been able to reduce the volume of imported

parts considerably by cutting down the number of our model lines to perhaps seven or eight models and the number of machine tops required to probably two. On this basis we would have had sufficient volume to justify tooling up for the production of these tops in Canada. It would have provided employment for the tool and die shops, additional work in our factory and, perhaps, sufficient work for a porcelain enamel plant. If the government could encourage industry to take action of this kind, results would be produced in short order.

The creation of a department of industry will not solve our problems though it will create a mechanism through which they can be solved. We know we must expand our trade. I believe we all recognize the work being done by the Minister of Trade and Commerce (Mr. Sharp) to set up, with the western nations, proper trading areas for us. It is useless for us in this country to resist the trends that are taking place around the world. We must join those trends and derive the maximum benefit from them. This is what is being done now.

To do the things we have to do will require money. We would normally expect that industry would provide its own financing. However, through the Canadian development corporation we also have a means of providing funds when traditional methods fail. I hope this corporation will halt the sale of our industry to foreign countries. I hope it will begin the process of buying back industry which has already been sold. I hope that by this means more capital may be provided for risk ventures. I know a number of people who have had ideas for good products but they did not have the capital to develop them; they had to take their ideas to the United States and have them developed there. I think we should be able to provide the risk capital here when it is needed for projects of this nature.

If we are to compete successfully in foreign markets we must accept the most advanced technology available. We must not turn our backs on the difficulties caused by automation. We must face them and enjoy the benefits automation can bring us. In order to do this we must weigh the problems automation is likely to bring before they descend on us, and we have to plan, as we are planning now, for the retraining of those put out of work as a result of automation. Of course, there is little use training people unless we make sure we are training them in an occupation which is likely to be needed. There is little sense training bricklayers to be butchers when what one really needs is electricians. So when we talk about retraining we must also take steps to ensure we are training people for the right jobs.

I think the difficulties we now encounter have arisen because we did not adapt ourselves quickly enough to new conditions in the changing world around us. I think the formation of an economic council will serve to guard against our making a similar mistake in the future. I think this will be a means by which we can respond to technological changes before, rather than after, they hit us.

I believe the program we are undertaking now is practical and realistic. In these 60 days we are not going to cure all the problems which face us. We are going to begin the cure. During the election campaign we did not promise an instant cure for all the ills which beset the economy. What we did promise was that we would make the decisions necessary to effect a cure. We did promise to introduce realistic programs. We did promise to start on the road to a better future. I believe the measures contained in the speech from the throne indicate we have made that start.

Mr. Stuart A. Fleming (Okanagan-Revelstoke): My first words this session must be to offer you, Mr. Speaker, congratulations on your election to the high office you hold in this house and also, through you, to convey good wishes to the other officers of the house who will support you in the onerous responsibilities you are required to discharge.

I should like also to express my congratulations to the mover (Miss Jewett) and the seconder (Mr. Choquette) of the address in reply. They discharged their duties in a most felicitous fashion and, I have no doubt, in the weeks to come this house will hear more from them. I may not have found myself entirely in sympathy with some of the things they said, but I admire the fact that on their introduction to this house they said them so well and did not allow themselves to be dismayed by the nervousness which tends to affect us all when we speak first in this somewhat overwhelming atmosphere.

As to the speech from the throne itself, it is well known among us all, I suppose, that before a session opens members of parliament, regardless of where they sit, look forward to reading it with anticipation because it is there that they hope to find a foreshadowing of the march of events which will follow the opening of the session. We look for freshness of approach, for new ideas, a dynamic attitude to events. We hope to find these things. Yet, on examining this particular speech we found a borrowing of ideas rather than a freshness—the intention to reintroduce into this parliament legislation which was already

before the Commons at the time of dissolution in February; to carry on programs which should, by now, be producing their benefits for the people of Canada but which did not take effect because the Liberal party chose not to proceed with them. Many of these items are constructive and will find a ready response on this side of the house from the members of my party. But we look for new ideas. We look for this freshness and dynamic force, and all we find are measures which should give us cause for apprehension and doubt rather than confidence. Because those very things which spokesmen for the government have been lauding and suggesting provide, if not the answers, at least the beginning of the answers, are the very things which I think the people of Canada should examine most carefully and wonder along what path the Liberal party is intending to take them, and see whether it may soon decide to announce itself, as it did not in the last election but may well in the next, as the liberal socialist party of Canada.

For a start, I will take the department of industry. We already have several departments of industry. We have the Department of Forestry, the Department of Fisheries, the Department of Agriculture, the Department of Mines and Technical Surveys and the Department of Trade and Commerce itself, each one of them specializing in the particular problems of particular industries and areas of industry in Canada. Each one of them is capable, through the specialized knowledge of the people working in them, who are available to them for advice and assistance, of providing this stimulus for industry in Canada which this new all-powerful, all-wise department of industry is supposed at some time in the future to provide. The continuing effective use of these particular departments dealing with our principal industries, our resources and our secondary industries is the requirement which is laid at the door of this government, not the proliferation of departmentalization. We have enough of bureaucracy now, without this addition. The effective utilization of the means which now exist is the demand we must make of this government. Very effective steps have been taken and very effective use has been made of the specialized knowledge in these various fields during these past five years. We ask for a continuation of what already has been accomplished and established, not by the creation of some other super-authority which is supposed to advise but cannot effectively utilize the tremendous diversity of knowledge spread through the various departments, and cannot meet satisfactorily the tremendous diversity of demands which must be made if there is going to be a continuing and effective development of industry in this country. This is one area where the result of this tentative step to relieve unemployment is simply the giving of more work to more administrators who will confuse the situation perhaps even more than it has ever been confused.

Now I move on to the imaginative concept of agriculture, which is to be divided between east and west. For some reason or other this is supposed to provide solutions to continuing or new problems which may arise in the field of agriculture, whereas in fact all that is being done is to fulfil an impulsive promise. The suggestion to split the Department of Agriculture into two segments must have been impulsive; it certainly could never have been well considered. In fact, the requirements of the department are for specialized branches of agriculture within the over-all agricultural industry of Canada. I can only suggest that if by creating an eastern ministry and a western ministry it is thought that this will smooth out any complications now existing, then the government should consider what can happen when they approach the problem of, let us say, the tree fruit industry in Canada. The Okanagan tree fruit industry would, I presume, come under the jurisdiction of the western minister, whose primary concern no doubt would be that of grain and beef cattle. The problems of the Okanagan tree fruit industry would be in all important particulars precisely the same as the problems of the industry in the Niagara peninsula and the Annapolis valley. So that we have the eastern minister trying to establish national policy on the basis of the problems presented to him in the Annapolis valley and Niagara peninsula regions, and the western minister endeavouring to establish national policy on the basis of the same problems presented to him from the Okanagan area, which will mean that there will be another reason for consultation and delay and administrative proliferation. This sort of thing can be duplicated over and over again. This is no solution to the problem; it is a trick to try to take political advantage, but it is not going to work, for the simple reason that it is going to create so many problems that I am sure in due course the government will wish it had never submitted to the impulse.

I go back for a moment to the department of industry and to the area development agency concept. If I may be permitted to appear slightly immodest, I should like to quote from a speech I made in this house on July 30, 1960. In that speech I said:

Hard core and seasonal unemployment can be the consequence of failure to utilize most effectively the reservoirs of resources, skills and knowledge which already exist. It can be proven, I believe, that in many areas unemployment is most severe where an imbalance of development is found;

where primary industry is not supplemented by secondary industry; where a single industry, either primary or secondary, maintains an entire region. It is in these circumstances that very often we find the most severe conditions of winter unemployment occurring and where there is growing evidence, also, that continued long term unemployment is likely to occur. The problems, to a large extent, originate in the inadequate utilization of existing resources, skills and knowledge, and the solution must therefore lie, at least in part, in a more effective use of these elements.

Then I went on to suggest that this problem can be offset by the creation of regional development councils.

From reading the speech from the throne and the reference to the creation of this new department of industry, you would think it might be suggested that no such councils have in fact been provided. In fact, on December 15, 1960, when this house passed the Agricultural Rehabilitation and Development Act, such councils were provided for. Personally I have always regretted that that act was called the Agricultural Rehabilitation and Development Act, because I think it could more properly have been called the rural rehabilitation and development act. It provides for the greater utilization of existing resources, skills and knowledge, and also provides for the utilization of local councils and for the co-operation of provincial and municipal governments in particular resource areas, primarily rural areas where the problem of hard-core unemployment and seasonal unemployment are most evident. So that this idea that area development policy or an area development agency is new, is a fresh one, or the answer to the problem, is entirely fallacious. These councils, which are already in being or can be brought into being within the scope of the A.R.D.A. program, are today at work and can be further utilized as the people in those various parts of the country who require this kind of assistance get the know-how to utilize available resources.

So, by picking out of the speech at almost any point the allegedly new ideas, we find either things that are not new or things that are simply providing a duplication of services that already exist, and in the case of the Canadian development corporation we might see the creation of a massive corporation. I am told it will be designed to encourage investment by Canadians in their own industries. But it will be a government agency, and it must be remembered there are private agencies capable of doing this. One in particular was created within recent months, the brochure of which was made available to all hon. members of the house. It might even be on their bookshelves right now.

These are a few of the matters I mention to indicate that this is not an adequate program for the times in which we live. It does not add that new dimension which we were led to expect from the Liberal party in all its professions of a new Jerusalem for Canada, during the election and prior to the calling into session of parliament.

There is one other point on which I certainly do not intend to criticize the government. I only hope it will be able to live up to what it has claimed for itself, and that is its ability to resolve the continuing problem of reaching agreement with the province of British Columbia on the development of the Columbia river. No member of the house could be other than satisfied to learn that the premier of British Columbia is prepared to meet the Prime Minister of Canada in June, to initiate discussions on this question. But may I warn, if it is necessary, the members of the Liberal party and the members of the government that the mere fact the premier of British Columbia is prepared to discuss the subject with them is not necessarily a guarantee that the project will proceed.

By things I heard during the election campaign I am led to believe that the Liberal party wishes to renegotiate certain aspects of the present treaty, and from what we hear from the premier of British Columbia, I am led to believe that he wants certain concessions from the government of Canada.

I have no way of knowing exactly what direction the government's renegotiation commitment will take it, but I am somewhat apprehensive of what the premier of British Columbia will demand in concessions from the federal government. I would like to put three suggestions to the government for consideration on this matter. At this point I do not suggest they are sufficient to provide an entire resolution of the question, because the Columbia river development is complex. Indeed, it is very difficult for a layman to enter into this field without getting himself into trouble. I would suggest to the government however that studies be made of the costs estimates made after the treaty was negotiated, which seem to indicate that the Mica creek dam can be built approximately fifteen feet higher than was originally projected within the costs estimates. If it is possible to increase the height of the Mica creek dam within the present costs estimates, it might provide the opportunity to transfer part of the storage waters of the Arrow lakes to the reservoir behind Mica, and thus eliminate the flooding now contemplated. This in turn would reduce the pressure on the built up areas on the Arrow lakes and also preserve more productive farm land.

I do not know if this is a feasible suggestion, but I do believe its feasibility should be examined in the light of the knowledge that is now available to the government. Perhaps

it could lead the way to the suggestion, made three years ago by General McNaughton, before the external affairs committee of the house when he referred to the possibility of an intermediate Arrow program instead of high Arrow, if low Arrow program was not possible in the complex of over-all development.

I would also like to suggest that the government endeavour to persuade the province of British Columbia that, in a development as large as the Columbia river, the authority which supervises it, whether it be purely provincial or a joint authority shared by both the federal and provincial governments, these should be an over-all authority concerned not just with the building of dams for power generation and the storage of water, but with the redevelopment and relocation of the communities in the whole of the valley, that it provide for the diking and protection of lands where necessary, and that it assist in providing services in those communities to which a large number of workmen and their families will come, such as occurs when a program of this size is undertaken.

If it is true that 3,000 people will be employed for three years at Mica creek, then presumably the city of Revelstoke will have to provide additional water, sewage and other services for a substantial number of people. To the best of my knowledge this problem is not being faced up to by the province of British Columbia at the present time, and the federal government should assure that it be considered.

There is one further step that the federal government might take, and that is to offer the province of British Columbia an outright grant of half the costs of the construction of the transmission lines on the Mica creek project as a first step in the establishment of a national power grid in Canada. I assure the government, interested as this one professes to be in economic development in Canada, that any major step of this kind would lead to tremendous economic growth in British Columbia, and beyond British Columbia in the rest of Canada, if immense resources of electrical power could be moved to other places. In suggesting this I assume the government would be interested in any step that would lead to the establishment of a national power grid system.

In making this suggestion I would point out there are ample precedents for making an outright grant of this kind. These are found in the grants to the maritime provinces, and the grant which forms the federal government's share of the cost of atomic power development in the province of Ontario. This latter expenditure by the federal government will be an outright grant to the province of Ontario when it takes over the operation of the atomic power plant. Other precedents include the grant to Manitoba to combat Red river flooding, and the grant to Saskatchewan for the south Saskatchewan dam project. Such a grant would be one means of stimulating activities on the Columbia river.

I only hope that, after the meeting between the Prime Minister and the premier of British Columbia, one minister will be able to come into the house and say that the differences have been rectified. I know certain Liberal spokesmen have made it appear that this is a very simple question. For their sake I hope it is, and for the sake of the people of British Columbia. However, all I can say is that at the moment I would reserve my judgment until after that meeting takes place.

Briefly, Mr. Speaker, these are some of the points that have occurred to me as a consequence of reading the speech from the throne and listening to the debate on it. I am sorry I cannot be as enthusiastic as some previous speakers, because I think there is room for a great deal of doubt as to the competence and intentions of the government when it presents us with such a document which is simply a borrowing from a program already placed before the house, and when it includes measures that ultimately could do greater damage to Canada than any benefits they provided.

(Translation):

Mr. Gerard Ouellet (Rimouski): Mr. Speaker, in view of the fact that I am speaking in the house for the first time, I will lose no time in congratulating you on your appointment to such an important office. I have no doubt that you will always discharge your great responsibilities with dignity.

I also want to congratulate the hon. member for Northumberland (Miss Jewett) for the interesting speech she so graciously made to the members of parliament. I hope that she will always be happy and proud to have served her social and political team.

The election campaign is over and I see no point in continuing it here. Each of us has received a mandate from his electors. Each and every one of us has a precise duty to fulfil. Each member of the house, whatever his political allegiance, has formally committed himself to his fellow citizens and the whole country.

I want to show as far as possible my loyalty to that duty, because a sense of responsibility does consist first of all of self-respect and of devotion to the community of which we are part.

Mr. Speaker, it is a formidable honour to speak before this distinguished assembly; therefore, I trust that in listening to me, you will keep in mind that I am a farmer anxious to make my small contribution to the conduct of the business of this house, in order to improve materially and without delay the lot of the members of my profession.

I should like now to thank and congratulate the Prime Minister (Mr. Pearson) for the likely appointment in the near future of a minister of agriculture who will have the appropriate legislation implemented in order to relieve eastern farmers of the very difficult situation they have been experiencing far too long.

I have complete admiration for this unique decision. If you allow me, I would say that since my active participation in our political group, this project to have two members of the federal cabinet, one to take care of the eastern farmers and the other to look after the farmers of the west, is in keeping with the needs of the times.

I am still prouder of the appointment to the federal ministry of the hon. member for Matapedia-Matane (Mr. Tremblay), that beautiful riding next to the constituency of Rimouski, which I have the honour to represent in this parliament. I also offer special congratulations to the hon. member for Outremont-St. Jean (Mr. Lamontagne). These two ministers, natives of my riding will help, I hope, the progress of our area. Congratulations to the Prime Minister for the selection of these two distinguished men.

The farmer whom you are listening to right now was secretary treasurer of the local chapter of the united farmers; for three years, he was general adviser of the U.F.C. of which he was an active member during 31 years. In May 1955, I left my village where I had been manager of the caisse populaire during 18 years and a member of a farm co-operative for 17 years, to become a full time farmer.

I have been secretary of both the municipal council and the school board for several years. When I left my village to work on the farm, I did not think for once that I would come back to public life. However, the Social Credit party drafted me and, today, I find myself in a position of honour but which is difficult none the less, as I am sure you will agree.

Today I urge the hon. minister who represents my area to see to it that further consideration be given to granting the eastern farmers substantially reduced purchase prices for feed—a little over $20 per ton for grain intended for cattle bred by eastern farmers, without reducing the fair revenues of the western farmers.

In my humble opinion, this is a suggestion of prime importance in order to maintain our farm establishments, the reduction of which becomes a source of concern today for those who wish to remain true to their forefathers' vocation.

Everyone will admit the indispensable part played by agriculture in a Christian civilization. Our family farms are faced today with problems worthy of the concern of all men of good will and I believe that each and every one of us should be among them.

When the necessary measures have been taken to pass legislation aimed at helping the eastern farmer, we shall be sure that all members of my profession will be able to carry out their duties to the national community. It will not be an easy task though I must admit that worthy efforts have been made in the past.

However, we farmers, after having established a host of works designed to promote and protect the general interest of our profession, consider that time has come to urge our government to take as soon as possible the steps necessary for that purpose.

Here we must be possessed with a spirit that unites all groups. This must be our goal; we must seek fear of God first of all and respect for all human beings in civil and religious fields.

And so, we Canadians will then live in peace and quiet, because we will have found a true basis for unity.

The county of Rimouski sent me to parliament. More than 30,000 voters expect me to let the house know about their most urgent needs.

In that county, numerous associations work towards the expansion and the success of local and regional undertakings. May I point out that the runway of the Rimouski airport is in a sorry state of disrepair. I have been most urgently asked to try and get some repair work done without delay, as it is essential not to allow dangerous defects on the runway to slow down air traffic. Besides, the far end of the main runway should be covered with asphalt for more than 1,000 feet.

At Trois Pistoles, that maritime town in my county, there is urgent need of improving the wharf. The town is indeed a natural maritime centre with a future. Its population wants a study to be made which would lead to the means of improving the north-south ferry service. There is no doubt that following a careful study by competent people, supported by fair-minded statesmen, our maritime, industrial and agricultural district would know a splendid development. It is a worth-while undertaking. The time is for action, because we are facing a more than urgent need.

And what about our labour class? Though there has been notable progress from the professional point of view, in the various trades, thanks to specialized institutions, from the marine school to the agricultural school, the labour market is still cluttered. It would therefore be appropriate to pass legislation for carrying out important public works which would increase our national assets, our common heritage.

In co-operation with hon. members from our part of the country, as well as from the maritime provinces, the Atlantic provinces will know days of greater security and national equity. That is the price of confederation.

May I also congratulate the hon. member for Îles-de-la-Madeleine (Mr. Sauve) for his remarkable speech in favour of our part of the country. In some ways, it is more to be admired than to be imitated, and I think that his wishes and his requests will incite our leaders to bring about positive results. I thank all those men in advance who will do the necessary tasks to carry out our projects.

Is it not true that the light comes from the east, as the sun rises there?

I hope that I may be allowed to submit here to your good attention words spoken in this house by the hon. member for Red Deer (Mr. Thompson), our national leader:

> Money has been the key to the organization of society. Money makes economic democracy possible by making consumer choice the arbiter of economic direction. We can go back, if we so desire, to Great Britain during the 1500's when the renaissance was just developing, when the industrial revolution was beginning to take its embryonic form.
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> Here, again, this development was preceded with a development for the facility of the medium of exchange in the monetary system which ultimately resulted in the present monetary system.
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> As we look for democracy, for a system of government, let us remember that economic democracy is at the root of democratic democracy. The one is not complete, and the one cannot survive unless it has the other. I am concerned because of the trend towards increased governmental control, increased taxation. This is actually an abandonment of our monetary system, an abridgement or an attempted abridgement of economic democracy. It does not enlarge the human spirit, but abridges it instead. It does not enlarge human dignity. It subjects individuals to the indignity of government by bureaucracy. If it promotes equality, it is precisely at the expense of that precious individuality that has been the spark kindling the fire of western civilization. As the Austrian writer Heimito von Doderer said, contemplating the difference between east and west, that in the east, "individual life does not rebel. There is too little of it for rebellion. One soul mingles with the other like smoke. But in the west, every life has its own special, if invisible, garden plot. A man stands alone between the tended flower beds and the little porticos of a house from which no one, by law and equity, is entitled to expel him . . . This is the only way he knows how to be. Only in this way can he be big or little, crooked or straight, good or bad".
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> So, as we consider this new path let us remember the old fundamentals that are basic to the very way of life we mutually agree is the way we should live. Is the new path we are taking, then, a new path or is it an old one? Is it the collapse of economic democracy which is forcing us to take actions which are contrary to the basic principles under which we live? Perhaps this sounds strong, but look at the socialist governments behind the iron curtain. It is the logical confusion of bigger and bigger governments. Creative ideas have never sprung from groups, they spring from individuals. No committee has ever painted a piece of art. No board of directors has ever written a symphony. No commission has ever invented a scientific machine. In our awe of the power of the organization compared with that of the individual, let us not forget the complementary need of the organization, however complex, for the individual's vision, skill and ability. It is the contact between the aspired mind of the individual and his creator that enables him to bring to others a glimpse of the infinite and the eternal that lie outside the view of ordinary men. This suppression of creativity carries with it the seeds of decay of every socialist state.

There is another member who, I believe, deserves the compliments of the house, and I am thinking of the member for Vancouver Quadra (Mr. Deachman). As I listened to him yesterday, I felt admiration for this man who filled his bounden duty of coming here and paying tribute to his opponent, the hon. Mr. Howard Green, this great Canadian who has served his country so well. The hon. Mr. Green will go down in history as a valiant contriver for peace with honour.

Allow me to express once again my gratitude and my congratulations to the Leader of the Opposition for having appointed the hon. Mr. Earl Rowe as Lieutenant Governor of Ontario. This gentleman of the Canadian political scene deserves our respect and our friendship.

There is a remarkable man sitting among us, who is attracting attention: it is the hon. member for Winnipeg North Centre (Mr. Knowles), dauntless servant of democracy, of freedom and, therefore, of civilization.

In closing Mr. Speaker, I should like to point out to the house that when I came to parliament, I felt everywhere at home, that everybody I met had been most kind to me, and that I shall never forget the warm welcome which was given to me by the Clerk of the House. Believe me, it is most pleasing for a farmer to feel that way.

In carrying out my mandate, I shall need the co-operation of those who sit on the government side. I do hope that everyone of them will grant me his full co-operation for the welfare of all the voters of my riding, and I thank them in advance.

Social Credit is the answer, the cure of democracy or of Christian civilization against the communist, the atheist, and the leftist pressures, and it is also the cure against capitalist rightist dictatorship.

(Text):

Mr. M. W. Martin (Timmins): My first words, Mr. Speaker, must be words of congratulation to you upon your elevation to your present office. Shortly after April 8 when it became apparent to everyone in the country that we were going to be afflicted with another Liberal government, many of us entered into a little guessing game as to just which members might be chosen for the various posts in this new government. I might say that, in so far as the over-all picture was concerned, I did not come out too well. I would say, however, Mr. Speaker, that in so far as the choice of a Speaker was concerned I am happy to announce that I was in full agreement with the choice long before it was actually made.

(Translation):

Second, I must say that we who have had the privilege, during the last session, of seeing how the hon. member for Stormont (Mr. Lamoureux) handled himself, are not surprised at the honour bestowed upon him, and the new members are happy to find that the confidence that was put in him when he was appointed Deputy Speaker and chairman of committees was justified.

(Text):

I should like to congratulate also the Prime Minister (Mr. Pearson) and the remainder of the cabinet ministers upon the new responsibilities they have accepted in this chamber. Particularly, I should like to convey my congratulations to my colleagues from northern Ontario. It is quite some time since the treasury benches have been filled with so many representatives of the great northern part of this province.

(Translation):

And now, Mr. Speaker, having given credit where credit is due, I would ask the house to bear with me for a moment while I say a few words on a subject which is giving me some concern.

Not too long ago, when the simultaneous translation system was installed in this house, I had some misgivings due to the fact that, in my opinion, it is easier to put on an earphone in order to understand what is being said in another language than to learn that other language. The installation of that equipment could postpone rather than bring forward the day when hon. members would be proficient in our two official languages.

(Text):

However, Mr. Speaker, in spite of the doubts that may have been in my mind at the time, I must say that after some considerable time this new system has worked very well. One thing I have noticed, and I think it is very good, is this. In years past, when an hon. member was speaking in a language that some other hon. members could not understand we saw quite an exodus from the chamber, but now we see hon. members turn on their apparatus and listen to the simultaneous translation. But I should like to register a mild protest in regard to what appears to me to be a new practice that is growing up in the house. I refer to the practice of repeating everything in both languages. This is not necessary, because we have the simultaneous translation system. To my mind bilingualism means being able to speak one or other of our two official languages, and if they are given equal status I see no need for everything to be repeated in both languages. After all, if I say, "Mr. Speaker" and the translator says "Monsieur l'Orateur", I see no need for my saying "Monsieur l'Orateur" so that the translator can say "Mr. Speaker". To my mind this is almost a mockery of bilingualism and makes no use of the instantaneous translation system which we have. I think the speech from the throne at the beginning of this session set an excellent example which we would do well to follow; that is, of speaking first in one language and then the other. To my mind this gives equal status to both languages and I think this is the way it should be. This is one problem with which we are faced in this country today, the problem of bilingualism and biculturalism. It has received a great deal of attention. If we stop to consider this question, I think we must realize that this situation is rather a reflection upon the Liberal and Conservative governments which we have had in the past. If we consult the Parliamentary Guide we find that we have for some 50 years been governed in this country by a Liberal government—

Some hon. Members: Hear, hear.

Mr. Martin (Timmins): —and for some 46 years by a Conservative government.

Some hon. Members: Hear, hear.

Mr. Martin (Timmins): Now that the backpatting is over, Mr. Speaker, may I say that I think the unrest we see in the country today is a condemnation of both these governments.

Some hon. Members: Hear, hear.

Mr. Martin (Timmins): We have seen, particularly during the last election campaign, the old parties trying to blame the problems of this country upon the new parties that are growing up in Canada today. They completely ignore the fact that the only reason for the new parties is the failure of the old parties. The problems that we face in this nation today have arisen from a long, long line of small grievances. These grievances have for far too many years been hidden; and hiding solves nothing. Certainly if hiding solved anything, all these problems would have been solved in 96 years. The greatest danger that we face today is that we may go from one extreme to the other.

(Translation):

Mr. Speaker, allow me to say here that I shudder when I hear irresponsible people speak about the separation of Quebec from the rest of Canada. I was born and educated in Quebec. I served in Quebec regiments, both French and English. As far as I am concerned, Quebec is not only my birthplace, but also the cradle of our nation. Quebec is Canada; how could it be separated from it?

(Text):

The thing that raises most fear in my mind, Mr. Speaker, is that the acts of terrorism we see being committed today may prevent a proper solution to these problems which we have had over the years. I should like to make an appeal to both the English and French citizens of our country and ask them to use forbearance at the present time; for the English Canadian to realize that there are grievances which need correction, and for the French Canadian to realize that we will not solve problems in this country of ours by acts of terrorism.

Now, Mr. Speaker, I would come to a matter that is of great importance to the constituency which I have the honour to represent. During this session, or certainly during this year, parliament will have to deal with the problem, because it is a measure that is up for consideration. I am referring, of course, to the Emergency Gold Mining Assistance Act, which has run its three year course and this year is up for renewal, amendment, or whatever is the will of this parliament. I realize, of course, that we will have another chance to discuss this matter in possibly more detail when the legislation is before the house. All I wish to do now is impress upon the government the importance of this particular matter.

The Emergency Gold Mining Assistance Act was first passed by a Liberal government. It has twice been extended by a Conservative government. In fact, the last time it was dealt with the assistance provided under the act was increased by some 25 per cent. Many years have passed since this measure was enacted, and I think we should now realize that in addition to the original purpose of this act—which was of course to foster and maintain the gold mining community—this is a very important matter to our country today. One of the major problems that has plagued this country for a number of years is that we are importing more than we are exporting. Every year this problem is with us. I think we should realize that gold is one product that Canada has in quantity. In fact, Canada is the second highest gold producing country in the world. This is one product that we will never have more of than we can export. We may have a glut of copper, iron, lumber, paper—yes, even of wheat—but gold is one thing we will never have a glut of in this country. Consequently, if we realize the true significance of this product and its value to our country, we should realize that this matter is really the responsibility of the country and the gold mining industry should therefore, in its present circumstances, be subsidized by the country as a whole. It should not be subsidized, as it has been for far too long in the past, by the industry itself, by the people working in that industry and by the merchants and citizens of the communities which are supported by the gold mines. However, I have not changed my opinion that if this act is to serve the purpose for which it was originally passed, some changes must be made to ensure that the benefit of this subsidy paid by the people of Canada shall accrue to the municipalities, to the people working in those municipalities and to those who serve them.

I should like to devote the remainder of my time to a question which I have found to be the number one problem in the riding I represent. There are some who may think that when I deal with this matter I am venturing upon a provincial field, but such is not the case. This subject has a direct interest for the federal government, and more particularly for the Department of National Health and Welfare. I am only sorry that the minister is unable to be here while we are dealing with this matter. I have in mind the great number of cases in my constituency, and, I assume,

in similar constituencies, of people who sustain injuries in the course of their work. Because of the present regulations and practices of the workmen's compensation board of the province of Ontario, these injured workmen become foisted upon the municipal welfare rolls which are supported in their turn by the federal government through the Department of National Health and Welfare.

It is my intention to list just a few of these cases. I can assure hon. members I have hundreds of them on my files. During the last election campaign between 300 and 400 of them came to my attention. I am thinking in particular, now, of a case where a man sustained a broken ankle. After treatment the cast was removed from his ankle and he was instructed by his doctor to take some exercise. While walking across his yard, his ankle buckled under him and he fell, twisting his back, as a result of which he had to spend two or three more weeks in hospital. The compensation board refused to accept that there was any connection between the two accidents. The man's wife and his seven children are now wards of the municipality with 40 per cent of their welfare costs being paid by the federal government.

Many cases arise where there is a delay of six weeks, ten weeks, three months, four months or even five months before a payment is made to these injured workers. Again the situation arises where they must go to the municipality for welfare assistance and where the costs are passed right back to the federal government. I wonder how long we can go on fooling ourselves by believing that we have no real responsibility for what is going on with regard to these particular welfare payments because the money does not appear, in the first instance, to be coming directly from the federal pocket. I think this is a subject which the Minister of National Health and Welfare (Miss LaMarsh) and, indeed, the Minister of Labour (Mr. MacEachen) might well look into. I can assure them both I can provide hundreds of cases to back up the statements I am making tonight. I sometimes wonder why it is practically impossible to bring this matter adequately to the attention of the public and of those concerned. I have had occasion to write to newspapers, to Toronto daily papers, listing as many as 15 of these cases including the claim numbers, dates and so forth, but not a word will appear in the press. It makes one wonder sometimes if there is not a conspiracy of silence in connection with this matter. I believe the trouble is that the board has been in office far too long. They are looking back with such pride on things they did ten or 15 years ago that they are not even aware of the situation which prevails today. This is certainly one of the most urgent problems which faces my constituency and I sometimes wonder if a similar situation prevails in all the other constituencies across the province and across Canada.

The whole field of public welfare needs review and revision. I encountered one situation which seems impossible to me in this day and age. It was the case of a man who had an unusually large family, at least for our part of the country. He had some 17 children. Because of the demands of this large family he naturally got behind in paying his bills—an affliction which affects most of us. Of course, the garnishees began to come in and as soon as that happened the man lost his job and had to fall back on municipal welfare relief. Because of the size of his family he was receiving the maximum payment which, in Ontario, is $180 a month. Finally he was able to get a job where he was protected from garnishees. It was a job with the Ontario department of highways. There was one problem, though, he had to take a $20 cut to go to work. His wages came to $160. If he had not gone to work he would have faced a non-support charge and would have gone to jail. I think this is a situation which bears looking into. It is an aspect of one of the most pressing problems which faces the new minister as she assumes her duties.

In line with the general trend on this 31st day of decision I think it would be appropriate if I ended my remarks at this point, since we shall have ample time to deal with these matters in the days ahead.

Mr. Joseph P. O'Keefe (St. John's East): It is a distinct pleasure for me to begin this, my maiden speech, by offering to you, Mr. Speaker, my congratulations on your election. I know you will fill this high office in a most impressive way and in keeping with the finest of our parliamentary traditions. I am very conscious of the honour which is mine to be speaking in this house for the first time. I feel even more honoured to be speaking as the representative of St. John's East. Historic old St. John's East has now returned happily, and I am confident permanently, to the Liberal vote.

To stand in this parliament of Canada is an experience that for all of us I believe is a memorable one. It is significant in the fact that we are now the chosen representatives not only of the districts from which we come but of the length and breadth of Canada as a whole. I, like many hon. members here, have entered parliament for the first time. They may or may not be awed by the intricacies of constitutional procedure and the varied and complicated order of business; I know

I am. But I know that down deep in our hearts is the dedicated determination to serve worthily and well the people who have sent us here and have entrusted to us their hopes and aspirations. I am very proud to represent St. John's East and I feel that what is good for that district is good for Newfoundland.

Canada's newest province has received some definite and specific undertakings which, when implemented in full, will go far to remove most of the special handicaps under which our province has been operating since confederation. The most forthright of these commitments has been the undertaking of a federal offer of 90 per cent of the cost of completing the trans-Canada highway. This, as you know, has been pledged to all the Atlantic provinces, but our province is the only one with a very large unfinished portion of our national highway. Obviously the task is quite beyond the means of our provincial government. It will be remembered, too, that the MacPherson commission strongly recommended its completion at federal cost as a basic national obligation. This, sir, I suggest it is.

Almost above all else Newfoundland vitally needs communications, not only of the physical or material kind—roads such as the Marine drive, with all its maritime magnificence, our long-sought and so badly needed east coast ferry and other ferries and roads—but communications or meetings of minds, so that what is said or sought in Newfoundland is understood and appreciated in Ottawa. This has not always been so in the past.

The 12-mile limit for our hard pressed fishermen is another all important project. Its success, of course, will depend upon the agreement or acquiescence of our American friends. This, I feel, is likely to be forthcoming since the United States associated itself with the six-plus-six resolution which failed by only a very small margin to gain the required two thirds majority at the last law of the sea conference.

The question of fishery development on a national basis is for us of the greatest importance. What will be done in this respect will, of course, depend upon the outcome of a conference which our Prime Minister has offered to call. This will have to be hammered out into a sound economic program that will produce maximum results from efficient direction, financing and supervision.

Newfoundland needs the restoration of the former system of the tax rental agreement. This plan, as you know, Mr. Speaker, made sure that the poorer provinces shared in Canada's growth. Under this system our province will benefit from the expected expansion of our Canadian economy and so would acquire a substantial contribution towards the annual increase in the cost of maintaining our vital public services. What is of crucial, over-riding importance, however, is that our new national policy will consider all these things and others in terms of what is required to overcome inherent disabilities in all the provinces.

I will not dwell at any great length on all, or even many, of the needs of Newfoundland. Some good was done for St. John's East and other districts and provinces by the previous government. After all, they held power for nearly six years, so they could scarcely help doing some good. Yet a great deal more needs to be done now. From time to time I am quite sure that Newfoundland's representatives, all seven of us—all we had to offer—will be heard on behalf of the oldest part of this new country.

Mr. Speaker, the prevailing standards of living in Newfoundland, it seems to me, are maintained to a very large degree by the expenditure of either the federal or provincial governments on various public services, social security and welfare. In places such as Bell island, with its labour surplus, the standard of living is still lower. Of all of this great district, I am painfully anxious that something be done for so long neglected Bell island.

I should like to devote the remainder of my speech to telling you and the house of my native province of Newfoundland and of its natural grandeur, just as others have done with their provinces. However, my people have sent me here to represent them and to act as their spokesman. This is my duty and this I am determined to do as best I can. For this reason I am going to take the few minutes at my disposal to lay before you some details of a situation about which I feel very strongly both the house and the nation should be informed and about which I can no longer remain silent.

Mr. Speaker, my district includes the large island in Conception bay that we call Bell island, with its large town of Wabana, a beautiful Beothic Indian name meaning "land of the rising sun". Some 14,000 people make their homes on this island. I only wish I could tell you that they also make their living there, but that is not so. These 14,000 people do not make a living on Bell island. These men and women, all of them fine Newfoundlanders and Canadians, are doomed by forces seemingly beyond their control to live in circumstances which in case after case approach utter destitution. Do not misunderstand me, sir. I am not saying that each and every one of these fine souls is unable to earn his or her daily bread, for that is not so. But what is true, and tragically true, is that of these 14,000 the staggering number of

5,500 are on relief, existing on the hated, soul-searing dole.

Mr. Speaker: Order. It being 9.30 o'clock p.m. it is my duty, pursuant to section 4 of standing order 38, to interrupt these proceedings and forthwith put the question on any amendment now before the house.

The house divided on the amendment (Mr. Diefenbaker) which was negatived on the following division:

YEAS

Messrs:

Aiken
Alkenbrack
Baldwin
Bigg
Cadieu (Meadow Lake)
Cantelon
Churchill
Clancy
Cooper
Crouse
Danforth
Diefenbaker
Dinsdale
Doucett
Enns
Fairweather
Fane
Fleming (Okanagan-Revelstoke)
Flemming (Victoria-Carleton)
Forbes
Grafftey
Gundlock
Hales
Hamilton
Horner (Acadia)
Howe (Wellington-Huron)
Irvine
Jorgenson
Kennedy
Kindt
Korchinski
Lambert
Loney
MacEwan
MacInnis
MacLean (Queens)
Macquarrie
MacRae
McBain
McIntosh
Madill
Mandziuk
Martineau
Millar
Monteith
Moore (Wetaskiwin)
Muir (Cape Breton North and Victoria)
Muir (Lisgar)
Nielsen
Noble
Nowlan
Nugent
Ormiston
Pascoe
Paul
Pigeon
Rapp
Ricard
Rynard
Simpson
Skoreyko
Slogan
Smallwood
Southam
Starr
Stefanson
Stenson
Thomas
Valade
Vincent
Watson (Assiniboia)
Webb
Weichel
Willoughby
Winkler
Woolliams—76.

NAYS

Messrs:

Addison
Armstrong
Asselin (Notre Dame de Grace)
Asselin (Richmond-Wolfe)
Badanai
Barnett
Basford
Batten
Beaule
Bechard
Beer
Benidickson
Benson
Berger
Blouin
Boulanger
Boutin
Brewin
Brown
Cadieux (Terrebonne)
Cameron (Nanaimo-Cowichan-The Islands)
Cantin
Caouette
Cardin
Caron
Carter
Cashin
Chapdelaine
Choquette
Chretien
Côté (Longueuil)
Cowan
Crossman
Cyr
Davis
Deachman
Denis
Deschatelets
Douglas
Drouin
Drury
Dube
Dupuis
Emard
Ethier
Favreau
Fisher
Forest
Forgie
Francis
Frenette
Garland
Gauthier
Gelber
Gendron
Godin
Gordon
Granger
Gray
Greene
Gregoire
Guay
Habel
Hahn
Haidasz
Harley
Hays
Hellyer
Herridge
Honey
Howe (Hamilton South)
Jewett, Miss
Kelly
Klein
Knowles
Konantz, Mrs.
Lachance
Laing
LaMarsh, Miss
Lamontagne
Lamoureux
Langlois
Laniel
Laprise
Latulippe
Leduc
Lessard (St. Henry)
Lloyd
Loiselle
Macaluso
Macdonald
MacEachen
Mackasey
MacNaught
McIlraith
McLean (Charlotte)
McMillan
McNulty
McWilliam
Martin (Essex East)
Martin (Timmins)
Mather
Matheson
Matte
Mitchell
Moreau
Morison
Mullally
Munro
O'Keefe
Olson
Orlikow
Otto
Ouellet
Patterson
Pearson
Pennell
Pepin
Perron
Peters
Pickersgill
Pilon
Plourde
Richard
Rideout
Rinfret
Rochon
Rock
Rondeau
Rouleau
Ryan
Sauve
Scott
Sharp
Stewart
Tardif
Temple
Thompson
Tremblay
Tucker
Turner
Wahn
Walker
Watson (Chateauguay-Huntingdon-Laprairie)
Webster
Whelan
Winch—147.

Mr. Byrne: I was paired; had I voted I would have voted against the amendment.

(Translation):

Mr. Chevrier: Mr. Speaker, I was paired with the member for Three Rivers (Mr. Balcer). Otherwise, I would have voted against the amendment.

(Text):

Mr. Cardiff: I was paired with the hon. member for Algoma West (Mr. Nixon). Had I voted, I would have voted for the amendment.

Mr. Chatterton: I was paired with the hon. member for Victoria, B.C. (Mr. Groos). Had

I voted, I would have voted for the amendment.

Mr. Regan: Mr. Speaker, I was paired with the hon. member for Oxford (Mr. Nesbitt). Had I voted, I would have voted against the amendment.

Division

Mr. More: I was paired with the hon. member for Norfolk (Mr. Roxburgh). Had I voted, I would have voted for the amendment.

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

HOUSE OF COMMONS

Friday, May 24, 1963

The house met at 11 a.m.

PRIVILEGE

MR. DIEFENBAKER—INFORMATION RESPECTING NATO NOT GIVEN TO PARLIAMENT

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I rise on a question affecting the privileges of this House of Commons. The NATO council meeting has continued for a couple of days. Parliament has not received any information whatever regarding the stand taken by Canada, yet the press from day to day contains statements. Last night's Canadian Press sets out the following:

> The way has been cleared for the creation of an Atlantic alliance with nuclear strike forces with Canada one of the contributing countries. Today NATO foreign ministers switched their attention to world trouble spots. General agreement on the basic idea of the type of force to be built initially around Polaris-firing submarines and British long range bombers was reached.

Mr. Speaker, I am informed that the press is regularly given information by the Secretary of State for External Affairs and by the minister of defence. This information is not made available to parliament. I will say no more at this time except that this constitutes a derogation from the rights of parliament. Controlled news is something which should not exist in this parliament.

TRADE

GATT—REPORT BY MINISTER ON RESULTS OF CONFERENCES

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I was asked yesterday if I would give a report on the discussions that took place in London and Geneva in connection with the general agreement on tariffs and trade. I should now like to do so.

As hon. members are aware, the meeting of the economic consultative committee took place in London on May 13 and 14 just before the meeting of trade ministers held in Geneva under the auspices of the general agreement on tariffs and trade from May 16 to 21. I beg leave first to table copies of the communique issued at the conclusion of the commonwealth meeting, and of the resolutions and other conclusions adopted by the trade ministers in Geneva.

Mr. Speaker: Is it agreed that the minister have leave to table these documents?

Some hon. Members: Agreed.

Mr. Sharp: At the London meetings, Mr. Speaker, I was impressed by the variety of the modern commonwealth. It seems to me that this is a reflection of the modern world, the free world at least. The whole spectrum of needs and aspirations is represented in the commonwealth. We have Britain, a highly industrialized country, Canada and Australia which are major exporters of agricultural and primary products as well as manufacturers of more limited scale, and New Zealand almost entirely dependant on agriculture. I was impressed with the fact that the modern commonwealth includes a majority now of newly independent countries only recently embarked on the process of development and diversification.

It was a rewarding experience for me to meet the trade ministers of these commonwealth countries, the new as well as the old. In London we were able to discuss in the unique and understanding atmosphere of commonwealth meetings that is familiar to so many of us the interests and approaches of the different members to the major current issues of trade and development.

Three main questions were on the agenda. First, the expansion of the trade of the developing countries; second, world trade in agricultural products, and third the proposal for a further major round of negotiations to reduce tariffs and other barriers to world trade. At the meeting there was also an opportunity to review the situation in Europe and to hear from the British ministers about developments since the termination of the Brussels talks.

All the ministers recognized the continuing significance of commonwealth trade. We were also agreed on the need for a general expansion of world trade and on the importance of this for all commonwealth countries.

As hon. members will see from the text of the communique which I have just tabled, the needs of the less advanced countries of the commonwealth received full recognition, and Canada joined with other members of the commonwealth in promising our support for action to help meet these needs, both at the subsequent GATT ministerial meeting

and at the forthcoming United Nations conference on trade and development, the preparatory committee for which is now meeting in Geneva.

At the GATT meeting in Geneva the purpose was to come to grips on a world wide basis with the three major trade problems discussed in London. These problems are difficult and complex, and many conflicting interests remain to be resolved in the long negotiations that lie ahead. Nevertheless the countries concerned have agreed to come to the negotiating table and a start will be made. This was a tremendous and heartening achievement.

For the developing countries decisions were taken to facilitate expansion of their trade, and machinery had been established to keep their problems in the forefront of the negotiations and of GATT discussions. But on many points views differed as to the best way to proceed, notably between the European economic community and the overseas countries associated with the community on the one hand, and the developing nations in the commonwealth and elsewhere in the world on the other.

These differences are reflected in the documents I have tabled. But there was no disagreement on the urgency and fundamental importance of moving to help all these countries to meet the challenges of their development and the fundamental need to improve the lot of their peoples. Aid is clearly not enough. Financial and technical assistance must be accompanied by better opportunities to trade and other measures to facilitate the expansion and stability of the export earnings of these countries.

The Geneva conference of GATT was the fifth meeting of GATT ministers since the general agreement was signed in 1947, and the chief purpose of this meeting was to initiate a major negotiation for the reduction of tariff and non-tariff barriers to trade. The new United States authority to cut the protection surrounding the United States market made these negotiations possible. The power contained in the trade expansion act to reduce most United States tariffs by half and to remove duties that are 5 per cent or less is both imaginative and far reaching. It provides more scope to reduce American protection than has been available for many, many years.

The proposal for new and substantial negotiations, the so called Kennedy round, was strongly supported by Canada, by Britain and by many other countries whose interest lies in the expansion of world trade. The meeting agreed that negotiations should be joined and that they should cover trade barriers of all kinds and all sectors of trade.

Agreement was also reached that the negotiation plan should be based on the principle of equal across the board tariff reduction subject to certain exceptions and subject to the working out of procedures to narrow differences in tariff levels between major industrial powers where these have significant effects on trade.

As hon. members will be aware from the newspaper reports that came back from Geneva, many days of negotiations between the United States and the European economic community were necessary before the final formula affecting the principle of negotiation was agreed upon.

I made it clear that for Canada such a formula of tariff reduction would not yield the necessary mutuality of trade and economic benefit. I indicated that for a country like Canada, with its limited domestic market, its patterns of production and trade and its relatively narrow range of exports, it would be difficult to find any single formula that would achieve the necessary balance of advantage. I assured the meeting, however, that Canada would play its part and make concessions in Canadian tariffs commensurate with the benefits we receive.

The conclusions of the meeting cover the position of Canada and certain other countries in a somewhat similar position. I should like to quote these provisions so that members of the house will understand how the negotiations concluded. The conclusions provide that the tariff negotiations committee which was established at our meeting shall deal with, *inter alia*, and I quote:

> The problem for certain countries with a very low average level of tariffs or with a special economic or trade structure such that equal linear tariff reductions may not provide an adequate balance of advantages.

In his statement which forms an integral part of the conclusions of the meeting the chairman of the GATT ministerial meeting stated that pursuant to this paragraph, and I quote:

> The committee will deal with the case of certain countries where it is established that their very low average level of tariffs or their economic or trade structure is such that the general application of equal linear tariff reductions would not be appropriate. For such countries the objective shall be the negotiation of a balance of advantages based on trade concessions by them of equivalent value, not excluding equal linear reductions where appropriate.

In addition, the chairman was asked during the concluding meeting whether the words "special economic or trade structure" in the resolution covered the special situation of a country which, it is established, has a very

large dependence on exports of agricultural and other primary products, and the chairman replied that this was the case.

I am satisfied that the United States and our other major trade partners fully understand Canada's position.

World trade in agricultural products presents particularly difficult problems. The normal trade rules have not been applied here, and efficient agricultural exporters like Canada have faced much frustration. It is significant therefore that agreement was reached in Geneva, including agreement by the European economic community, that agriculture shall be included in the negotiations. There is no doubt a settlement will be difficult to find, but with so much at stake, particularly with respect to wheat and other cereals, I can assure hon. members that the representatives of Canada at the forthcoming discussion will make every effort to ensure that these negotiations succeed. There are to be early meetings to discuss cereals and meats and a special group has been set up for dairy products.

These discussions may lead to new or revised international commodity arrangements.

In this connection, I would draw the attention of the house to the statement made Wednesday of this week in the British House of Commons by Mr. Christopher Soames, the minister of agriculture. I should also draw the attention of hon. members to the speech made by Lord Amory, which is on the same subject, reported in the *Globe and Mail* this morning. Mr. Soames forecast important changes in British agricultural support and import policies, and indicated British willingness to participate in further negotiations of international arrangements for temperate foodstuffs. I had the opportunity to discuss these matters with Mr. Soames, and we look forward to working closely with Britain, other importers and our fellow exporters of cereals and other products in the negotiations which are scheduled to open immediately.

Agreement at Geneva on the major points that I have mentioned was by no means easy. Much remains to be done and many difficulties overcome before there can be confidence that the various negotiations will yield a substantial and positive result. The stage has, however, been set for further progress if there is real willingness to make the negotiations a success. We propose, and I am now speaking in the name of Canada, to play a full and active part.

A busy timetable for negotiations has been agreed. In addition to the agricultural groups I have mentioned, a tariff negotiations committee will meet with a first task of working out the detailed negotiating rules by August 1. These preparations are to lead up to a major trade conference opening on May 4 of next year, which will bring together the various elements and carry the negotiations forward toward completion. In preparation for the negotiations the government will wish to consult fully with all Canadian interests which may be affected. Procedures to this end will be announced in due course.

As one of the world's leading trading nations, whose economic well-being heavily depends on trade, Canada has much to gain from the success of the negotiations and the new export opportunities that will be opened up. This is true for our manufacturing as for our agricultural and primary production. Lower trade barriers can contribute in an important way to the efficient development of Canadian industry on the basis of wider markets. Successful negotiations will provide the opportunity to develop an improved pattern of production and trade which would give a stimulus to Canadian growth and employment on a suitable and competitive basis and so contribute to the development of Canada and the prosperity of the Canadian people.

Hon. George C. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, I am sure the house has listened with a great deal of interest to this report of the two meetings, one in London and one in Geneva, which the Minister of Trade and Commerce has just read to us. I think in some reports on international gatherings there is a tendency to exaggerate the results accomplished and to gloss over or minimize the difficulties which still remain to be resolved. As the minister has said, there are many difficulties in this area which have hardly been touched upon. I think, judging from press reports—and they were unanimous in this respect—that the conference at Geneva nearly broke down. It was not until the last day, and almost the last hour of the last day, that some agreement or some compromise was worked out which permitted the conference to adjourn, while officials carried on in attempting to establish some ground rules.

As I see it, that is about what was done. An agreement is to be reached on the ground rules under which future negotiations could be conducted. Apparently at the moment the officials will be engaged in trying to establish ground rules which would permit future negotiations.

The minister spoke about the complexity of the changing commonwealth which he

found at London. I am sure that is a situation which everyone realizes, the complexity of the commonwealth and its rapidly changing basis, which perhaps explains why it is much more difficult to accomplish concrete objectives in that area when one is faced with this complexity than it is when one is on the outside and can airily suggest the ease with which these things could be accomplished.

In the press which, of course, I have seen this morning, it is reported that three of the commonwealth countries almost refused to concur in this tentative agreement, and with some reluctance they were persuaded to accept it. This is a report from the *Wall Street Journal,* not necessarily always an authentic and objective source of information, but it is fairly reliable. If it is correct I suppose the commonwealth countries referred to were Australia, New Zealand and Canada, and one must wonder what arguments were finally used to persuade them to accept.

Mr. MacEwan, the deputy premier of Australia, is quoted in the Halifax *Chronicle-Herald* of yesterday's date by Mr. Eric Dennis, who was in Geneva, as saying that this marked the death knell of the British commonwealth preferential system. If that report is correct—and everyone knows it has been United States policy for many years to bring about the destruction of the preferential system—it is certainly going to add to the problems of agriculture to which my hon. friend the hon. member for Qu'Appelle (Mr. Hamilton) referred yesterday. It will not only add to the problems of marketing wheat but also to apples, in which I have more than an academic interest at the moment.

In so far as Geneva is concerned, as the minister has said, he apparently took the position that we could not agree to a universal 50 per cent tariff cut across the board. I think it is fairly obvious why we should not. It must be remembered that throughout the years since the establishment of GATT, as the now Prime Minister said a short time ago in the House of Commons, Canada cooperated fully through all its governments in establishing the GATT principle, and as a result we have a low tariff structure in this country. If, for instance, we have an average tariff structure of 20 per cent and some other country has an average tariff structure of 40 per cent, then in agreeing to a 50 per cent cut we would end up with a 10 per cent average tariff and the other country would still have as high a tariff as we had at the beginning. It is quite obvious that some exception will be taken to that, and apparently the minister took such exception.

It is interesting to note, reading back through the discussions which took place in the last few months and years with respect to these negotiations, that there was on the part of the present Prime Minister almost enthusiastic acceptance of the 50 per cent cut across the board. The outcome simply goes to prove what we all know, that on the assumption of responsibility it is much more difficult to carry out airy promises and statements made before one has accepted such responsibility.

The minister has quoted from the chairman's statement at the end as to the compromise arrangement which is to be worked out. That quotation, of course, is reported absolutely objectively and correctly, but he did not quote the interview given by Mr. Christian Herter, who also was in Geneva, and who said these adjustments would only be made—I have forgotten the exact phrase—after proof of tariff and trade imbalances. Everyone knows the difficulty of proving such things. They can go on for years and years, so therefore we can only hope the statement of the chairman is not qualified by the statement made by Mr. Herter at the conclusion of the conference.

So far as we are concerned on this side of the house we of course give full support to any policy which will result in the widening of trade throughout the world, always of course with the reservation that Canada's interests be safeguarded. The Leader of the Opposition took that position when, some time ago, he suggested a conference of like-minded nations to President Kennedy, to accomplish a widening of world trade.

We are appreciative of the statement which the minister has given us this morning. We shall watch with interest the developments and negotiations, and we shall support all logical and proper steps to expand the trade of Canada.

Mr. H. A. Olson (Medicine Hat): We in this group have listened with a great deal of interest to the report given by the minister on the two meetings, one in London and the other in Geneva. We endorse the suggestion he has made that we should be looking for a balance of advantage in these tariff negotiations rather than for a straight 50 per cent reduction or any other percentage of reduction.

We hope there will be some follow through of the interest which has been shown rather than paying lip service to the idea of reducing tariffs and then dismissing the subject out of hand, as was done by the previous

government in 1957 when Britain put out a challenge to some of this lip service in favour of tariff reductions. We are pleased to find this emphasis being placed on the development of trade with so-called underdeveloped countries, particularly those within the commonwealth. We in this group believe this is an area where there is the greatest opportunity for trade expansion. We realize that because of the situation which has developed in the United States in the last few days with respect to wheat even more attention will be demanded by this aspect of our agricultural trade.

We wish the minister and his department well in these negotiations and hope they will have the courage to follow through when the items which come up for negotiation reach a point at which some specific action can be taken.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, the Minister of Trade and Commerce is to be commended for making a report to parliament so early after his return from attending the two meetings in London and Geneva. I was somewhat disappointed that his report on the commonwealth conference in London dealt with such generalities. I hope we shall have an early opportunity for a fuller discussion of this matter. Certainly the press reports emanating from London gave the impression that the minister, on behalf of Canada, had poured cold water on any idea of a commonwealth trading arrangement. This may not be an accurate report.

We all recognize that a commonwealth trading plan is no substitute for a world trading arrangement. However, it is true that we have very large markets in the commonwealth and particularly in Great Britain, markets which give us a considerable favourable balance in our trading relationships and which help to offset the imbalance in our trade with the United States. It is important that we should retain these markets and, if possible, expand them. While we are waiting for a world trading arrangement, which will undoubtedly take some time to work out, it would seem to the members of this party that no opportunity of strengthening and widening our present trading position within the commonwealth ought to be lost. After all, we cannot keep the commonwealth together merely by airy generalities about a common loyalty to the crown or a common faith in democratic institutions. It will have to be some practical thing which will have meaning particularly for the newly developing nations which have entered the commonwealth and which have serious trading problems at this time.

With reference to the Geneva conference, it is undoubtedly true that the earlier part of this conference was a great disappointment. The United States insistence on a linear or across the board reduction as against reductions on selected items meant that for a while there was the danger of a complete breakdown. I think the United States position may become less inflexible. If it does not, I am afraid the future prospects for GATT will be considerably dimmed. I hope that at an early date the government will take action to make possible a general debate on this matter so that we may have further information.

I had hoped that in the course of his report to the house the minister would have said something about whether the government is considering the introduction of a trade adjustment act which would set out the kind of compensation to be made available to various segments of our economy which might be adversely affected by tariff adjustments. I think a great deal of uneasiness would be removed if those large areas of our economy which might be affected by tariff adjustments, and other changes which we all recognize will have to be made, knew that legislative and administrative machinery were being provided in order that they might receive some compensation. There would be less uneasiness if they knew there was some period over which the adjustments might be made and that they would be put into effect in an orderly fashion without the dislocation which might follow should action be taken too suddenly.

I think the minister's report has been most useful, but I trust an early opportunity will be presented for fuller discussion so the hon. gentleman might answer questions and give the house further information.

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Arising out of the statement made by the Minister of Trade and Commerce, in the course of which he said he had had some discussion with Mr. Soames, reference was also made to the fact that in the last couple of days discussions had taken place in the British House of Commons on the question of trade in general.

I would ask the hon. gentleman whether or not he had discussions with Mr. Soames on the question of British imports of agricultural products and, in particular, what Canadian agricultural exports to the United Kingdom are in contemplation by the British government as being subject to potential quotas if applied.

Inquiries of the Ministry

Hon. Mitchell Sharp (Minister of Trade and Commerce): I am grateful to the Leader of the Opposition for giving me an opportunity of expanding the remarks I made in my statement.

I look upon the statement made by Mr. Soames as one of the more constructive developments of recent times. The United Kingdom government is reviewing its domestic agricultural policy, and Mr. Soames spoke to me about the relationship this would bear to imports of such things as cereals from Canada. He looked upon this as a means of enlarging markets for Canadian cereals in the United Kingdom, and of giving this market a stability which has not hitherto existed. That is why in my statement I did refer to what Mr. Soames had said, and also to what Lord Amory said yesterday. I think this is a most constructive development, and I trust the Leader of the Opposition will not be unduly concerned by what he reads in the newspapers.

Mr. Diefenbaker: I am not unduly concerned by what I read in the newspapers. I am concerned with what was said in the British parliament the day before yesterday to the effect that in these discussions "we found a good deal of understanding for our general thesis that if they—" that is, the commonwealth countries among others—"are to obtain a reasonable return from our market there must be control over the conditions under which it is supplied."

I ask the minister this. What were the particular cereals and what is the nature of the controls, among others under discussion, which the minister apparently indicated he was prepared to support?

Mr. Sharp: Mr. Speaker, I do not think I could be expected to discuss British domestic policy in answer to this question. I should like to assure the Leader of the Opposition that the reason Mr. Soames spoke to me—indeed, he gave me in advance the text of the remarks from which the Leader of the Opposition quoted—was to assure me that these developments were very constructive from Canada's point of view and were designed to give us a more secure share of the British market for the products, particularly cereals, in which we have a direct interest.

UNITED NATIONS

REFUSAL OF RUSSIA TO PAY SHARE OF COSTS

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I should like to direct a question of urgent importance to the Secretary of State for External Affairs. It concerns a situation which seems to be deteriorating every day. In the absence of the minister perhaps I can address my question to the Prime Minister. Would the Prime Minister inform the house what Canada will suggest or what she is prepared to do to meet the critical financial problems of the United Nations now that the Soviet union has again informed the United Nations that she does not intend to pay or to assist in paying any of the $200 million loan or a share of many obligations of the United Nations?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, it is, of course, most regrettable that the Soviet union or any other member of the United Nations refuses to accept and live up to its financial obligations in respect of the United Nations. Notwithstanding that, the Canadian government, as in the past, will play its full part financially and otherwise to ensure that the work of the United Nations can go on. Proposals have been made by the Canadian delegation at the recent assembly meeting dealing with these financial matters. My hon. friend the Secretary of State for External Affairs, who will be speaking in the debate on Monday, will have something to say on this matter in greater detail.

(Translation):

MINES AND TECHNICAL SURVEYS

QUEBEC—DEFINITION OF QUEBEC-LABRADOR BOUNDARY

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I wish to direct a question to the Minister of Mines and Technical Surveys. Could the minister tell the house if he has received from the governments of Quebec and Newfoundland an official request to define the Labrador-New Quebec boundary line?

Hon. W. M. Benidickson (Minister of Mines and Technical Surveys): Mr. Speaker, I am grateful to the hon. member for advising me beforehand that he would ask me a question in French today. Would he allow me to answer it in English?

(Text):

Since assuming my portfolio I have not received any communication of the nature referred to by the hon. member.

(Translation):

Mr. Pigeon: Could I ask a supplementary question, Mr. Speaker? Does the government intend to assume its responsibilities and to bring together the two parties interested in order to define those boundaries?

(Text):

Mr. Benidickson: Mr. Speaker, it is my intention to call a meeting on this matter in the near future.

POWER

COLUMBIA RIVER—ASSISTANCE TO FEDERAL GOVERNMENT BY U.S. OFFICIALS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Prime Minister. In view of the fact that the premier of British Columbia has disclosed that since the end of last year he has had the free services of Mr. Robert B. Anderson, former United States secretary of the treasury in the Eisenhower government, to assist him in negotiations with United States officials, would the Prime Minister inform the house if the government of Canada has found it necessary to secure the services of any United States official to assist it in negotiations with respect to the Columbia river treaty?

Right Hon. L. B. Pearson (Prime Minister): To the best of my knowledge, Mr. Speaker, no; certainly not since this government has taken office.

LABOUR CONDITIONS

GREAT LAKES—ACTION FOLLOWING STATEMENT BY U.S. UNION HEAD

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Prime Minister. Can he indicate to the house the nature of the assurances that he has received from Mr. Rusk, the United States secretary of state, in connection with the dispute on the great lakes?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, when the statement appeared yesterday in the press on this matter, issued by the head of the seamen's international union of the United States, I thought the statement was unhelpful, to say the least. Therefore I asked at once to see Mr. Rusk, who was in Ottawa, and I discussed the matter with him. The assurance he gave me last night was the only assurance he could give me, that he would take the matter up at once at a higher level with his own government. He has done that, and I heard from him this morning to the effect that the government of the United States is taking this matter under urgent consideration—that is, the statement which appeared yesterday—and I expect that during the course of the day a statement will be made in Washington on behalf of the government which I hope will be more helpful, to say the least, than the one issued yesterday by the head of the seamen's international union.

(Translation):

QUEBEC—STRIKE AT SOLBEC COPPER MINE

On the orders of the day:

Mr. Raymond Langlois (Megantic): Mr. Speaker, I should like to direct a question to the Minister of Labour. Has he received a report concerning the strike which is still affecting 200 miners of the Solbec Copper Mines in Quebec since March 1?

(Text):

Hon. A. J. MacEachen (Minister of Labour): No, Mr. Speaker.

(Translation):

[*Later:*]

QUEBEC—CONTROL OF NON-FERROUS MINING BY NORANDA COMPANY

Mr. Raymond Langlois (Megantic): Mr. Speaker, I have a question for the Minister of Mines and Technical Surveys. Could he intervene in order to put an end to the feudal system now existing in the mining industry in the province of Quebec, which is under the control of Noranda Mines Incorporated, as far as non-ferrous metals are concerned?

(Text):

Hon. W. M. Benidickson (Minister of Mines and Technical Surveys): Mr. Speaker, I will take notice of the hon. member's question and look into the matter of the dispute to which he refers.

BRITISH COLUMBIA—INQUIRY AS TO REPORT OF CONCILIATION BOARD

On the orders of the day:

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, I wish to direct a question to the Minister of Labour. Can the minister tell the house when we may expect the report of the federal board of conciliation set up to determine the dispute between the longshoremen's union and the B.C. shipping federation?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, the expectation is that the report will be delivered between the 25th and the end of May. It should be available very shortly.

DRUGS

SYSTEM FOR DISSEMINATION OF INFORMATION ON ADVERSE REACTIONS

On the orders of the day:

Hon. J. W. Monteith (Perth): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare, but

before doing so I would, with your permission, congratulate her publicly on heading the best department of government and the department which reaches into the homes of more Canadians than any other department. I am sure that she will find it a rewarding experience.

My question is this. As a result of the adoption by the world health organization of the proposal made by Canada to that body approximately one year ago to the effect that a system of rapid dissemination of information on adverse drug reactions be set up, could the minister tell the house how soon the machinery for the implementation of this proposal will be in operation?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, may I thank the hon. member for his gracious remarks. I agree with him with respect to the efficacy of the department and the very high quality of all those who are now and have been in the past associated with it. I must, however, ask my hon. friend to permit me to take this question as notice in lieu of written notice.

CROWN CORPORATIONS

SUGGESTED PROGRAM OF DISPOSAL

On the orders of the day:

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to address a question to the Prime Minister. Yesterday the parliamentary secretary to the Prime Minister said in his speech that he thought that we should develop a mechanism for selling off crown corporations. I should like to ask the Prime Minister whether this is government policy and, if so, would he indicate which crown corporations are likely to be sold off?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, this is not a matter of government policy.

FINANCE

QUEBEC—CONSULTATIONS RESPECTING LOANS TO MUNICIPALITIES

On the orders of the day:

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I should like to direct a question to the Prime Minister. Did any member of his government communicate with Premier Lesage, or any other member of the Quebec government, before the proposal for loans to municipalities was announced?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the policy to which my hon. friend refers has not yet been announced in the house. When we reach this matter, which I hope will be shortly, the house will be given complete information about the discussions leading up to this resolution.

[Mr. Monteith.]

FISHERIES

NORTH PACIFIC COMMISSION—EXTENSION OF JAPANESE FISHING RIGHTS

On the orders of the day:

Hon. J. A. MacLean (Queens): Mr. Speaker, I should like to direct a question to the Acting Secretary of State for External Affairs. Would the minister state precisely what action the government has taken with regard to the finding of the international north Pacific fisheries commission that certain stocks of fish no longer qualify for abstention under the terms of the North Pacific Fisheries Convention Act?

Hon. C. M. Drury (Acting Secretary of State for External Affairs): Mr. Speaker, I will be glad to take that question as notice.

COAL

REMOVAL OF TARIFF ON IMPORTS FROM U.S.

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, I wonder whether the minister of mines is now in a position to answer the question I posed on Wednesday.

Hon. W. M. Benidickson (Minister of Mines and Technical Surveys): Mr. Speaker, on Wednesday the hon. member for Cape Breton North and Victoria asked whether the government was giving consideration to the removal of the tariff on United States coal imported into Canada. In so far as my responsibility is concerned I have seen only some representations from importers like Ontario Hydro, but I am sure this is a matter which would normally be answered by the Minister of Finance at budget time.

[*Later:*]

Mr. Muir (Cape Breton North and Victoria): Mr. Speaker, I have been waiting patiently to see whether the Minister of Finance would take over from where his colleague the Minister of Mines and Technical Surveys left off with my question. I wonder whether I might now redirect the same question to the Minister of Finance. Is the government giving consideration to the removal of the tariff on United States coal imported into Canada?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, there have been representations on this matter and on many other matters affecting the tariff, all of which are being considered, and any decisions of the government will be announced when the budget is delivered.

(Translation):

POST OFFICE DEPARTMENT

ACTION TO PREVENT SHIPMENT OF FOREIGN LOTTERY TICKETS

On the orders of the day:

Mr. Georges Valade (St. Mary): Mr. Speaker, I should like to direct a question to the Postmaster General.

Since lotteries are illegal in Canada and it is publicly known that tremendous quantities of foreign sweepstake tickets are sent by mail in Canada, does the minister intend to take appropriate steps to remedy the situation?

Hon. Azellus Denis (Postmaster General): First, may I say that I do not have to thank the hon. member for giving me notice of his question because he failed to do so.

I must say, however, that every time delinquents are uncovered, the correspondence is seized and, in many cases, the hon. member and many others come to see us to request that the law be not applied in certain cases.

Mr. Valade: Mr. Speaker, I rise on a question of privilege. The Postmaster General alluded to an alleged attempt on my part to obstruct justice in the field of lotteries. I think the minister's answer should be withdrawn since I never made any request to the hon. member for St. Denis or to any other minister to hinder the enforcement of the law. The minister's answer is evasive and undoubtedly caused by his ignorance of what is going on in his own department. I think the minister should withdraw his allegation.

Mr. Speaker: I shall consider the report later on today.

(Text):

Mr. Valade: On a question of privilege, Mr. Speaker, the minister has just made a very disloyal remark about me—

Mr. Speaker: Order. I understood what the hon. member said, and I said I will examine the report later this day.

[*Later:*]

Mr. Valade: Mr. Deputy Speaker, I have a question of privilege I want to raise. I regret that the Postmaster General is not in the house. This morning I raised a question of privilege to Mr. Speaker which was supposed to be taken into consideration and a ruling made this afternoon. Am I right to raise a question of privilege under article 17, page 10 of the standing orders, which says that a question of privilege should be taken into consideration and discussed immediately it happens? I accepted the point that His Honour was perhaps not ready to consider the matter but I think it is very urgent because of its implications and I think I should be given the right to discuss it right away.

Mr. Pickersgill: I wonder, sir, if the hon. member would permit me to raise a point of order.

Mr. Valade: Well—

Mr. Pickersgill: I think it is always permissible to raise a point of order about any matter. My point of order is a very simple one. The hon. gentleman quite correctly raised his question of privilege immediately and His Honour the Speaker took it under advisement and said he would deal with it later this day. At the time the hon. member accepted His Honour's disposition of the matter, which was merely postponement. There have been many other occasions, sir, when a question of privilege has been postponed after having been taken up.

I feel quite sure that when His Honour the Speaker himself is in the chair he will be very glad to hear the hon. member, but it does seem to me that His Honour himself should be here to hear it. The hon. member would just have to make his argument a second time when His Honour was here and I wonder if he would consider, without having any formal disposition of the point of order, waiting until His Honour is personally in the chair.

Mr. Churchill: On the point of order, the house will have to know whether Mr. Speaker himself is going to be here and at what time. Second, on a matter such as this involving a question of privilege it may be that the Speaker will rule that the words spoken should be withdrawn and this should appear in *Hansard* very close to the words that are alluded to. If deferment continues until say a quarter to six this afternoon it is too late in the order of proceedings to be effective. Therefore I think the hon. member should have the right to raise his point now and have it decided upon immediately.

Mr. Pickersgill: I wonder if I could say a word about that. I feel quite sure we might ask His Honour the Speaker to direct that the proceedings relating to this matter be placed together. Mr. Speaker, before Your Honour took the chair the hon. member for St. Mary raised the question of privilege he raised earlier today which Your Honour asked to have deferred until this afternoon. I interrupted the hon. member on a point of order with his consent to suggest that the matter be held over until Your Honour was

in the chair. I suggested that without any formal disposition of the point of order we should agree to await the return to the chair of Your Honour. Your Honour has now returned.

Meanwhile the hon. member for Winnipeg South Centre raised a point which seems to have a lot of validity, namely that the hon. member for St. Mary would wish to have the proceedings that we are now entering upon at this point appear in *Hansard* at the same point where he first raised his question of privilege. It seems to me that it would be within the competence of Your Honour to suggest to the *Hansard* editor that these proceedings, although they are taking place now, be inserted in *Hansard* immediately after the point at which the hon. gentleman raised his question of privilege. I am not sure whether that can be done, but if it can be it would seem to me that it would be within the competence of the house to so order. It would seem to me that it would be only fair and right that it should be done and it would meet the point that the hon. member for Winnipeg South Centre has raised.

Mr. Churchill: I would just add the suggestion that sometimes questions of privilege are involved and the proceedings are lengthy, and it might upset the orderly printing of *Hansard* to print the full proceedings on this point in the place that is suggested by the Secretary of State. What would be possible perhaps would be to insert at the proper place in *Hansard* a reference to the proceedings which are now under way which would direct the attention of anyone reading *Hansard* to the full account.

Mr. Pickersgill: I think that is an admirable suggestion. I wonder whether we could have an order of the house that it be done in the way the hon. member suggests.

Mr. Speaker: Is it agreed?

Mr. Valade: On the point of order, may I add that to complete the whole matter it may also be necessary to make an adjustment with regard to the reply of the Postmaster General. The correction asked for by the Speaker or the correction in fact made by the minister involved should also be included at the same point.

Mr. Pickersgill: We are being very informal about this, Mr. Speaker. I have asked that a message be sent to the Postmaster General to ask him to come into the house if he is available. I wonder whether the hon. member for St. John's East might be allowed to complete his speech. Then the hon. member for St. Mary could be recognized and raise his point of order and we would hope that by that time the Postmaster General would be here too.

Mr. Speaker: Is it agreed?

Some hon. Members: Agreed.

[*Later:*]

Mr. Speaker: The hon. member for Royal.

Mr. Churchill: On a point of order, Mr. Speaker, the Postmaster General has now returned to the house. Could we continue the point of privilege?

(Translation):

Mr. Valade: Mr. Speaker, this morning, after I had asked the Postmaster General (Mr. Denis) what attitude his department intended to adopt to remedy the situation which exists when persons connected with foreign lotteries are using the mail service to send lottery tickets to Canada, the Postmaster General made the following statement, and I am quoting it as transcribed at 11.55 a.m. on the blues of today's *Hansard.*

> I must say, however, that every time delinquents are uncovered, the correspondence is seized and, in many cases, the hon. member and many others come to see us to request that the law be not applied in certain cases.

Those remarks, I submit, are unparliamentary, out of order and ought to be withdrawn by the Postmaster General.

This morning I rose on a question of privilege, as I was entitled to under standing order 17 of the house, page 10, which stipulates that whenever a matter of privilege arises it shall be taken into consideration immediately.

I agreed, at Your Honour's request, to wait until we had the official report.

I am of the opinion that the Postmaster General has violated the standing orders of the house, as shown in particular by Bourinot's citation found in Beauchesne, at page 96, citation 105, paragraph 2, which I want to call to your attention.

(Text):

I quote from Beauchesne, page 96:

> Bourinot, page 303, quotes an ancient authority as saying: "Whether any question is or is not before the house, and even in the midst of another discussion, if a member should rise to complain of a breach of privileges of the house, they have always instantly heard him."

Now, sir, I should like to refer you to another citation in Beauchesne, page 155, citation 128, in which it is stated that any expression which may be disrespectful to the house,

or painful to the feelings of individual members, may be explained, apologized for, or retracted.

(Translation):

The implication that the hon. member for St. Denis, the present Postmaster General, made this morning to the effect that I or other members of the house intervened in the administration of his department to impede the enforcement of the Post Office Act, is absolutely false and contrary to the facts.

I would therefore ask you, sir, to call on the minister to withdraw unconditionally the statement he made this morning concerning me.

Hon. Azellus Denis (Postmaster General): Mr. Speaker, I should like to answer that serious accusation about a statement which is of no consequence whatsoever. If the hon. member for St. Mary had taken the trouble of assessing the meaning of the words I used, that is "members often come to see me", he would have realized that I meant no insult. People often ask that the application of the law be suspended in certain cases.

Sometimes the Post Office Department is at fault, or someone might post in all good faith a letter that should not be posted because it contains lottery tickets.

I had no intention whatsoever to suggest that the hon. member for St. Mary was breaking the law. I simply told him that hon. members often made representations with a view to restoring the mail service to certain persons because they had inadvertently, but in all good faith, used the mails to send some illegal matter. I am sorry if the hon. member for St. Mary thought he was being singled out. This was not directed to him personally, but to all hon. members in general. If the hon. member were ever to find that the mail of one of his friends or constituents has been seized, either by mistake, or through some misunderstanding, when that person was acting in all good faith, I can assure him that I would gladly do my utmost to oblige him.

(Text):

Mr. Valade: Mr. Speaker, I believe that the minister has once more evaded this question. The written words that appear in *Hansard* today are the following, and I quote again from the French—

Mr. Pickersgill: I wonder, sir, if I might rise on a point of order.

Mr. Valade: I am speaking to a point of privilege.

Mr. Pickersgill: I am rising on a point of order, Mr. Speaker. The hon. member is seeking to quote what he says are proofs. I understood it was a rule of this house that proofs were not available to any hon. member. The only record available is the printed *Hansard*. This question has come up many times in the House. It seems to me that if the hon. gentleman recalls from his own recollection what was said, that is permissible in debate. However, the hon. member should not have a privilege which is not accorded to every hon. member, of seeing the *Hansard* record before it is available to other hon. members.

Since this is a very important point of order, sir, that is apt to arise on many occasions, I think it should be decided. I know the former prime minister raised this matter himself on one occasion in the parliament before the last.

Mr. Pigeon: When?

Mr. Pickersgill: I am sure the right hon. gentleman recalls it, as many other hon. members do. It has arisen on a great many occasions. It seems to me that this point of order should be settled because it is apt to arise again.

Mr. Valade: On the point of order raised by the Secretary of State, I should like to say he is in error when he says that these blues are not available. If he had read the correspondence sent to him at the opening of the session he would find we all received a small booklet concerning the rules of the house. In this booklet we were informed that one hour after the notes were taken by the stenographers we could read the transcript. This just indicates that the hon. member for Bonavista-Twisting Gates—

Some hon. Members: Oh, oh.

Mr. Pickersgill: I think I have a question of privilege here.

Mr. Valade: —the hon. member for Bonavista is twisting again the truth of this matter.

Mr. Speaker: May I interrupt the hon. member? I think he is quite right in raising his point of privilege. Of course, points of privilege in this house are extremely important; therefore I think he is quite right in raising it. In so far as the question of these notes or proofs are concerned, these are only proofs of what the hon. member has said. As we all know, hon. members have the privilege of seeing what they have said and correcting it if necessary. This is not proof, and the only proof we have is the *Hansard* record when it is delivered to us, perhaps tomorrow.

Therefore on that particular point I would say that he is not dealing with proof but he is only dealing with the verbatim notes. I have, for example, just received those notes. I said this morning that when I had an opportunity of seeing exactly what was said I could give some attention to the matter. I must say to the hon. member for St. Mary that it seems to me, while he is quite right in raising his matter of privilege immediately, nevertheless the Postmaster General has endeavoured in his humorous way, perhaps not so humorous this afternoon, to give satisfaction if I may put it that way, without resort to arms.

Mr. Churchill: Mr. Speaker, I rise on a question of privilege affecting all hon. members because the Postmaster General, who gave a reply to the hon. member for St. Mary (Mr. Valade), implicated all hon. members of the house. He said the hon. member may not have done this or that himself, but the minister also said "I am referring to all hon. members". Then he said "Some hon. members have done this". If he is going to mention some hon. members let him name the hon. members who have contravened the act, as he said this morning. The words he has not denied appear to be "the hon. member and many others have asked that the act not apply in certain cases". I myself have never approached any postmaster general with regard to any problem whatsoever, so here you have the present Postmaster General casting an implication on all hon. members of the house. I think the only course open to him is a complete withdrawal, without any qualification, of the words he has used.

Mr. Speaker: Before the Postmaster General speaks may I suggest to him now is the moment to give a complete and full statement. I am sure he will realize the full implications.

(Translation):

Mr. Denis: Mr. Speaker, I am pleased to comply with the request of the former minister of national defence, so that we can resume the business of the house. I withdraw anything I have said and which might have offended anybody. I had no intention of insulting anybody, but I merely wanted to say that post office officials are sometimes mistaken and that hon. members intervene to suspend the application of the law since it was misinterpreted by the Post Office Department.

Mr. Valade: Mr. Speaker, I rise again on a question of privilege. The Postmaster General did not say that he was withdrawing the words which referred to me personally, to the effect that I had intervened in the affairs of his department.

(Text):

Mr. Speaker, I want to repeat this in English so that our friends across the border will grasp more clearly what I said. I said that the Postmaster General has not withdrawn the specific statement he made on my behalf, that I as a member of the house intervened in the application of the law of his department, and this is the phrase I want him to withdraw.

Mr. Speaker: I do not wish to disagree with the hon. member for St. Mary but I certainly did not get that implication and I am sure it was not intended.

EXTERNAL AFFAIRS

INDIA—INQUIRY AS TO MILITARY AID

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, I have a question that I hoped to address to the Minister of National Defence. Perhaps in his absence I could address it to the Prime Minister.

In view of the published reports that the government of India is requesting more conventional arms aid from the United States and Canada to aid her defence against red China, can the Prime Minister advise the house whether the government of India has requested such conventional arms aid from the government of Canada? If so, will the Prime Minister advise the house as to the Canadian government's response to such request?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, in regard to the first half of the question, it is true that a few days ago the minister of defence of the government of India was in Ottawa with other Indian officials and did ask the government to look into the question of military assistance to the government of India in defence of its frontiers against the threat of invasion from communist China.

This matter is now under consideration, and I hope my colleague the Minister of National Defence at the appropriate time will be able to report to the house on it. The request, incidentally, was not made in detail; it was merely that the government should give sympathetic consideration to any possibility it might be able to discover of helping India in this regard.

INQUIRY OF THE MINISTRY

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I should like to address a question to the

Prime Minister. In view of the announcement that Mr. Jack Macbeth has been appointed executive assistant to the Minister of National Health and Welfare, is this an indication that the truth squad is being reassembled?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I can certainly understand the interest of my hon. friends in truth.

DEFENCE PRODUCTION

REPORTED U.S. INTENTION TO REDUCE ORDERS IN CANADA

On the orders of the day:

Mr. H. Russell MacEwan (Pictou): Mr. Speaker, I have a question for the Minister of Defence Production. In view of the report in the *Financial Post* of May 25 that the dollar squeeze of the United States government will crimp defence orders placed in Canada, I wonder whether the minister would advise the house as to what action he will be taking in this regard; that is, by way of meeting his counterparts in the United States on the matter of joint defence orders, which are so important to many firms and employees in this country.

Hon. C. M. Drury (Minister of Defence Production): Mr. Speaker, I am glad to be able to say a word on this important question. The government is fully seized of the importance of continuing the highly successful defence sharing program which was initiated some years ago and which is currently in difficulty as a consequence of the currency arrangements in the United States. Perhaps some misunderstanding has arisen in the last year between the Canadian and United States governments on this subject. It is my hope that within the next week it will be possible to continue the conversations already initiated with Mr. McNamara in Ottawa, leading to a satisfactory solution of this problem.

SUGAR

POSSIBILITY OF IMPORTS FROM CUBA

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question I should like to direct to the Minister of Trade and Commerce. In view of the acute shortage of sugar in this country, and in the light of Cuba's recent statement respecting the availability of a sugar supply from that country, can the minister say what the situation is in regard to importing sugar from Cuba in line with our trade in non-strategic materials?

Hon. Mitchell Sharp (Minister of Trade and Commerce): I regret that I cannot answer the question at the moment, Mr. Speaker. Perhaps I will be able to obtain some information, which I will give later.

TRANSPORT

CAPE TORMENTINE, N.B.-BORDEN, P.E.I.—CONSTRUCTION OF NEW FERRY

On the orders of the day:

Hon. J. A. MacLean (Queens): Mr. Speaker, I have a question for the Minister of Transport. Yesterday, in reply to a question I asked, the minister said in part that funds are available in this year's estimates. I presume he was referring to the estimates tabled in the house by the previous government, or was he referring to estimates which have not yet been tabled?

An hon. Member: Were they tabled?

Mr. MacLean (Queens): They were.

Mr. Benidickson: No, that procrastination is of a former government.

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, if I was guilty of being premature in disclosing some information to the house I must apologize, but I assure the hon. member that I was not speaking for the last government.

Mr. MacLean (Queens): Was the minister speaking for the present one? I presume, Mr. Speaker, that the minister disclosed something that he expects will be in the estimates when they are tabled.

Mr. McIlraith: Mr. Speaker, I think the estimates, when they are tabled, will make the hon. member quite happy.

RAILWAY BRANCH LINES—MORATORIUM ON APPLICATIONS FOR ABANDONMENT

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I should like to direct a question to the Minister of Transport. In view of the great concern on the prairies regarding railway branch line abandonment, could I ask the minister whether the railways are continuing their voluntary moratorium on making applications for abandonment until such time as government legislation is brought down to provide for orderly dealing with this matter. If not, will the minister request the railways so to do?

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, I should like to tell the hon. member that a committee of cabinet is dealing with this very subject at the present time and is considering the matter very

carefully in all its aspects. As to the question of applications before the board of transport commissioners, I noticed that the hon. member used the word "making". I do not want to give him a technical answer, but I would point out that a request has been made to the railways to provide information as to the complete program they envisage so there can be thorough treatment of the whole subject in a responsible way. The subject is under very active consideration at the moment, and he can be quite sure that no abandonments are taking place without the whole matter of policy being considered very carefully and no decisions are being taken, or without an opportunity for an appropriate hearing for those persons in the west who may be concerned.

Mr. Douglas: A supplementary question. I thank the minister for the information, but I still would like the first part of my question answered. Are the railways continuing their voluntary moratorium on making applications for abandonment, or have they resumed the practice of making applications?

Mr. McIlraith: No, they are continuing their voluntary restraint in this regard. I did want to check the hon. member on the use of the word "making". I have made a request that they advise us as to all possible applications that they might wish to make. That was the point I wanted to clarify for him.

HOUSE OF COMMONS

REPRESENTATION OF CONSTITUENCY OF NORTHWEST TERRITORIES

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I should like to ask the Secretary of State whether he has yet received an answer from the chief electoral officer with regard to the representation of the Northwest Territories in this house.

Hon. J. W. Pickersgill (Secretary of State): Yes, Mr. Speaker. I find that my surmise was quite correct, that the writ has not yet been returned, that the official count has only very recently been made, and it will be returned just as soon as it is physically possible for it to be done.

Mr. Churchill: A supplementary question, Mr. Speaker. The minister says it will be returned just as soon as it is physically possible for it to be done. In this age of air travel and rapid communication surely it could be done much more rapidly than the minister suggests.

Mr. Pickersgill: Mr. Speaker, the hon. gentleman is an old and experienced parliamentarian and knows perfectly well that the government has no control whatsoever over the machinery of the chief electoral officer; nor should it have, in a free country.

Some hon. Members: Hear, hear.

Mr. Churchill: Mr. Speaker, I would ask the Secretary of State, as a supplementary question, whether he will give every assistance to the chief electoral officer, as the government should, to expedite the return of a member of this house.

Mr. Pickersgill: I will be only too pleased to do so, sir. I think the hon. gentleman will find that when vacancies occur in the house this government will expedite the work of the chief electoral officer, which was not done by the previous government.

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

Some hon. Members: Oh, oh.

An hon. Member: Disorder.

Mr. Churchill: We have now had a reply from the minister which ranges far beyond the answer that should have been given—

Some hon. Members: Oh, oh.

Mr. Churchill: —and I suggest that Your Honour direct the attention of the Secretary of State to the rule which you read out yesterday from the rule book and from Beauchesne.

Mr. Pickersgill: Mr. Speaker, I apologize to the hon. gentleman, and in future I will try not to range.

DISPOSITION OF PORTRAITS OF FORMER PRIME MINISTERS

On the orders of the day:

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, two days ago the junior member for Queens asked me a question with reference to several paintings of former prime ministers which have been removed from the centre block. I wish to inform him that these paintings are now being cleaned and repaired, and as soon as the work has been completed they will be put in their usual place.

(Translation):

ARTS, LETTERS AND SCIENCES

APPOINTMENT OF CHAIRMAN OF COMMISSION ON BICULTURALISM

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to direct a question to the Prime Minister (Mr. Pearson). Could he tell the house if he has recently been in communication, either by correspondence or

verbally, with Mr. Jean Louis Gagnon, of the province of Quebec, for the purpose of appointing him as chairman of the royal commission on biculturalism?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the answer is no.

Mr. Gregoire: A supplementary question, Mr. Speaker. Could the Prime Minister assure the house that appointments in that case will not be of a political nature and will not constitute a reward to former supporters? *(Text):*

Mr. Speaker: Order. This is quite a hypothetical question, and as such is not admissible.

AGRICULTURE

SOYBEANS—REQUEST FOR ANNOUNCEMENT OF SUPPORT PRICE

On the orders of the day:

Mr. H. W. Danforth (Kent, Ont.): Mr. Speaker, I should like to direct a question to the Minister of Agriculture, and only the urgency of a crop having already been planted prevents me from placing the question on the order paper. Can the minister inform the house when we may expect an announcement by the government of the support price for soybeans under the Agricultural Stabilization Act? Would the minister give consideration to a support price of $2.50 per bushel as requested by the soybean growers, rather than the $2.40 a bushel which the hon. member for Essex East indicated at a meeting in Tilbury, Ontario, on March 25 last?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, I think this matter can wait until Monday. I have had no notice of the question, and I should like the hon. member to put it on the order paper.

IMMIGRATION

WELDON CHAN—INQUIRY AS TO ADMISSION AS LANDED IMMIGRANT

On the orders of the day:

Mr. Ron Basford (Vancouver-Burrard): Mr. Speaker, I should like to direct a question to the Minister of Citizenship and Immigration. Is he giving consideration to the admission of Mr. Weldon Chan to Canada as a landed immigrant?

Hon. Guy Favreau (Minister of Citizenship and Immigration): Mr. Speaker, although I did not have the privilege of receiving notice of this question may I inform and assure the hon. gentleman that this question is at present under serious consideration by me, and I will be in a position to report to the house about the middle of next week.

HOUSING

REFINANCING OF N.H.A. MORTGAGES TO COVER IMPROVEMENTS

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, I should like to address a question to the Minister of National Revenue. In view of the widespread public interest in the matter, can the minister advise the house if he was interviewed by the Ontario retail lumber dealers association to introduce a plan for refinancing N.H.A. mortgages to cover home improvements? In the event that the minister was so interviewed, can he advise the house as to his response to this request?

Mr. Speaker: Order. May I suggest that the hon. member put his question on the order paper. I do not see any urgency. May I also call the attention of hon. members to the fact that it is now considerably after twelve o'clock noon, and unless there are questions of urgency I wonder whether we could get on with orders of the day.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Thursday, May 23, consideration of the motion of Miss Pauline Jewett for an address to His Excellency the Governor General in reply to the speech from the throne delivered by His Excellency the Administrator at the opening of the session.

Mr. O. W. Weichel (Waterloo North): Mr. Speaker, it is a privilege for me to take part in the debate on the address in reply to the speech from the throne. Before going on with my remarks I should like to congratulate you, Mr. Speaker, and the Deputy Speaker on your appointments to your important positions. May I also take this opportunity to congratulate the mover and seconder of the address in reply for their very fine presentations.

I was pleased to hear in the speech from the throne that the government plans to continue the fight against unemployment and will not relax the efforts that have been going on to boost production and co-operate closely with industry. Such promises as a department of industry and an economic council will, I am sure, be welcomed by Canadians as further steps in our continuing battle to provide jobs for as many of our citizens as possible, and to help us to compete with other nations in trade. As you all know, Canada's gross national product last year increased by 7 per cent, a record unsurpassed in the western world, and our record of economic stability was better than that of any other free nation.

You are aware also that employment rose and Canada's external trade reached a record $12.5 billion.

But this fine record, made possible only through co-operation between government and industry, is no reason for us to relax our efforts. We will face growing competition from nations behind the iron curtain which have vowed to bury us in an economic war. The common market countries, now just beginning to flex their muscles, will progressively lower their tariffs and make it tougher for us to sell our goods abroad. During the next three or four years the United States, as a result of Mr. Kennedy's trade bill, will be slashing tariffs in order to compete.

What I mean to emphasize is that with protective tariffs steadily falling in this highly competitive world of the next few years, Canadian producers will have to stand more and more on their own feet. We cannot rest on the records we have chalked up. Instead, we will have to bend our efforts toward devising new ways, new ideas to meet this growing trade challenge.

With this thought in mind, Mr. Speaker, I should like to dwell for a few minutes on a move under way in my constituency of Waterloo North, a move that every community in Canada might do well to copy and a move deserving of support from our new government. I am sure most of you have heard something about it because it received extensive press, radio and television coverage in its initial stage. I am referring to the work going ahead leading to the creation of a labour-management forum to bring about a better understanding between both sides and subsequently boost production and sales.

The plan is to enroll the help of the entire community in the bustling industrial area of Kitchener-Waterloo, where the forum will function, in order to insure its success. Both Mayor Hymen and Mayor Bauer of the two cities agreed, immediately following the first public meeting at which the idea was endorsed, to form a steering committee with respresentatives of labour and management. Two of those directly concerned are George Goebel, president of the Kitchener-Waterloo and district labour council, and Dr. R. V. Yohe, president of B.F. Goodrich Canada Limited. These men have been working quietly but diligently with plans for more public meetings this fall and winter in an effort to put the forum's principles into practice.

Representatives of all segments of the community, including churches, service clubs and other associations, will be joining other delegates from labour and management in discussing common problems and possible solutions. It is hoped that in this way an air of understanding of both sides will begin to permeate through the community. The result, it is expected, will be greater mutual trust and a spirit of co-operation such as is found in European countries.

The founding meeting of this forum, believed to be the first of its kind in North America, drew a crowd of some 700 people in Kitchener. The stimulus for such a get together arose from a Conservative government sponsored mission to Europe last summer. Dr. Yohe, a member of this mission, returned to Canada so impressed with the results of similar projects in Europe that he set about laying the groundwork for a labour management forum in his own community. In fact Dr. Yohe sees such action as almost compulsory for the survival of Canada in this world of competitive trade. I do not believe we can stress too strongly the fact that co-operation among labour, management and government has been the major force in the fantastic post-war economic recovery in Europe.

Of course you might say that conditions in Europe in the years following the war were somewhat different from those existing in Canada today. Their economies were at a standstill, on the verge of collapse, whereas our economy is thriving today. You might say, too, that the widespread despair in post-war Europe was a tremendous stimulus to teamwork and did help to remove prejudice. Here in Canada we have no such despair. However, I feel strongly that the threat of competition we face from other trading nations should be great enough to compel us to forget past prejudices and work together. When Dr. Yohe uses the term "survival" I do not think he is exaggerating. As a member of this national productivity council mission he has visited Europe and has seen what has been accomplished and what competition our products will have to face in the years ahead.

Although we have just completed a banner trade year, not enough of our success has been due to labour-management co-operation. This lack of co-operative spirit so far has made it difficult for our products to compete with those of the European nations in quality, design, price and service. I confess, though, that many of our firms have excellent relations between employer and employee. However, I believe you all know that in many of our industries strife and bitterness between these two factions are deeply rooted and strong. This was equally true in Europe, so the results prove that co-operation is possible if it is seen that survival is at stake.

If we cannot submerge these frictions, which in most cases have prevented labour

and management from working together to cut costs and improve quality, we will have to wage the battle for markets under a severe handicap. I think Dr. Yohe and Mr. Goebel, as well as all the others instrumental in promoting this forum in Kitchener, are to be commended. I feel that the crowd of 700 who turned out for the meeting out of which this forum was born are also to be commended for their interest and foresight.

At the risk of being accused of bragging about my home constituency I suggest it might have been expected that Waterloo North would take the lead role in such a project. The area has a record of stability in industry and business. The people of the constituency are a fine blend of many nationalities and are progressive, hard working folk with a fine record of industrial development. Even during our recession of a few years ago the Kitchener-Waterloo area, one of varied industries, was not hard hit and today enjoys the distinction of being one of the lowest areas of unemployment in Canada.

I do feel, Mr. Speaker, that the Kitchener labour-management forum will bear fruit. I think it is taking the right approach that co-operation in industry is not a government responsibility. This co-operation should start with the worker and his employer. Other communities, I understand, are watching the Waterloo North project closely. They might well follow the Kitchener-Waterloo example by starting at the grass roots with similar forums to hammer out an understanding of how effective co-operation can be developed. At first these forums could function independently of government so that no one could suggest there were any political implications in such projects. However, in the long run government co-operation would be necessary, because I believe all possible resources must be pooled in this fight for economic survival.

I strongly believe, Mr. Speaker, that forums of this kind, aided ultimately by the government, can play a major role in meeting trade competition with other countries. If we properly pursue the objectives outlined for the Kitchener-Waterloo forum I feel that we can not only successfully meet this trade threat, but we can also look forward to higher employment throughout the nation and even a higher standard of living for all Canadians.

Mr. Robert Temple (Hastings South): Mr. Speaker, in opening my remarks today may I first of all offer you my congratulations on your election to your high office. It is obvious to us all, sir, from the manner in which you have conducted yourself that no mistake was made. The fairness and impartiality you have shown have emphasized this.

I come from the riding of Hastings South in the province of Ontario, an old and historic riding in that province. It is a mixed constituency, rural and urban, containing the city of Belleville, the town of Trenton, the villages of Tweed, Deseronto and Frankford, four rural townships and two large R.C.A.F. bases. Being in that part of the country it is, of course, a beautiful riding. As a matter of fact it cannot escape being so because it adjoins the riding of Northumberland, which is a very fine place indeed.

I was born and raised in the city of Belleville. I am very proud of my home and my constituency, which I hope I shall represent well in this house. I am extremely honoured to be a member of the house. In fact for many years I thought, one might almost say dreamed of participating in the deliberations of the House of Commons, and now I am fully conscious of the honour bestowed on me by the voters in my constituency.

I should like to compliment the Prime Minister, the government and the Minister of Trade and Commerce upon the excellent efforts they are making in the field of trade. This is a matter of great consequence to all ridings and most certainly to Hastings South, because there we produce certain articles and items of such high standards that they can be sold and exported.

In Belleville we have what to us is a large manufacturing plant, the Northern Electric Company, employing some 1,000 people. Recently they have designed a switching system for television networks. It is unique of its kind, has already gone into production, and the first order has been received. The Bata Shoe Company in Batawa produces shoe machinery which is exported to the United States, Australia, Iraq and many other free countries in the world. The Central Bridge Company in Trenton manufactures structural steel and the Stephens-Adamson Company in Belleville are experts in conveying machinery and receive orders from many parts of Canada, the United States and other regions of the world. Of the 115 million pounds of cheese produced in Canada last year, eastern and central Ontario produced almost half. This cheese is a quality product; in fact Canadian cheese can compete anywhere in the world.

So I wish to compliment the new government upon its efforts to expand our trade because, as I say, we do have quality products which must be exported. The reason I stress trade is that over the years we have come more and more toward having one economic class in Canada. We do not have a division of great wealth on the one hand and great poverty on the other, but if we do not expand our trade in this rapidly changing world

we shall again be faced with a great division of wealth, a few people having the vast majority of it and the rest of the population having very little. Should that happen then the state of our democratic institutions can and will suffer.

Like so many other hon. members I am of mixed blood, of mixed racial descent.

(Translation):

One of my grandmothers was French speaking; her name was Gariepy. She lived in the big and beautiful city of Montreal. I should add that I too live in a beautiful city.

(Text):

Mr. Speaker, this government is taking positive and correct steps to improve the economic conditions of Canada, and I look to the day, which I hope is not far off, when we Canadians will consider a university education in the same way we now regard a high school education, as available to all people, based on their ability and application and not on their economic circumstances. We cannot afford to lag behind in this rapidly progressing world, and if we rely on yesterday's knowledge we will end up out of touch with reality.

In conclusion may I say I am certain this government will encourage private initiative. The thing which concerns me more than any other is that as legislation is introduced, both now and over the years to come, it be so carefully scrutinized, as has been the case in this house previously, that no individual liberties will be lost; because if we start losing our individual rights then little by little we shall tend to lose them all and, if we do that, we shall have lost everything.

Mr. G. H. Aiken (Parry Sound-Muskoka): Before beginning my remarks, Mr. Speaker, I wish to extend to you my very best wishes and congratulations on assuming the office of our chairman as Speaker, and to congratulate you on the efficient manner in which you have conducted your duties to date. It seems to me that you have not yet had the misfortune to become embroiled in the difficulties your predecessor encountered at the beginning of the last parliament, and I sincerely hope this may continue through the current session.

(Translation):

I present also my congratulations to the chairman of the committees of the whole and Deputy Speaker of the house who has already proved that he knew the rules thoroughly.

The movers of the address in reply to the speech from the throne have discharged their responsibilities with great talent and I congratulate both of them most warmly for their magnificent contribution.

[Mr. Temple.]

(Text):

Mr. Speaker, I shall have something to say about the contents of one of these speeches later, but I do congratulate the hon. members for their conciseness and the easy delivery they displayed.

The speech from the throne at the beginning of each session of parliament is an important indication of the intentions of the government. However at the beginning of a new parliament, and especially with a new government, it becomes doubly interesting to carefully examine the speech from the throne in order to find the direction in which the government intends to proceed. We consider the document along with the accompanying speeches and actions to see where it is leading.

This is a comparatively short speech from the throne. That would not in any way detract from its importance if it were concise and to the point. But in this case, after the first 15 paragraphs of generalities, in my opinion the operative part of the speech is directed toward the establishment of boards, commissions and councils without giving those bodies any direction or any indication of what they ought to do. It is possible, of course, that bills will be brought down later to give direction to these organizations, but my primary criticism of this speech is that it announces the intention to set up a large number of boards without indicating the direction in which they are to move. No authority is given to them, and parliament itself has no indication of the course they are to pursue.

I notice that a new department of industry is to be set up. Within it there is to be an area development board, or perhaps a number of such boards. There is to be a new municipal development and loan fund. There is to be a new Canadian development corporation. There is to be a new economic council for Canada. There is to be a division of the Department of Agriculture into two parts and provision for an additional minister. Just imagine the tremendous complex of new government agencies, commissions, boards and councils which will spring up within the framework of the government service when these bodies are established. Imagine the host of employees who will be required to man this new bureaucracy. Perhaps this is the government's answer to the problem of unemployment, to put the unemployed into the government service until the workless figures are substantially reduced. Certainly there is nothing else in the speech from the throne which would directly help to reduce unemployment.

I should like to turn for a moment to the remarks of the hon. member for Northumberland (Miss Jewett) when moving the address in reply. I am glad the hon. lady is in the house. Naturally I do not intend to say any-

thing derogatory about her, but I wish to make some comments on her speech because some of the statements she made relate to certain things I have found in the speech from the throne. The hon. lady's remarks were admirably concise and direct. I think they are even more revealing of the philosophy of the party opposite than is the speech from the throne itself. They reveal to me a desire, on her part at least, for a headlong race toward paternalism under a Canadian government. The hon. lady says, in effect, that people are no longer able to make their own decisions and that government must make these decisions for them. In order that I may not inadvertently be misquoting her I should like to read just one paragraph from her speech which seems to me most interesting and which indicates the point I am making. I am reading now from page 22 of *Hansard* of May 17:

> We still hear people talking about the good old days of self-reliant individualism when all an individual had to do was to get up and go. It is always very pleasant to wish we could return to those days; but the fact of the matter is, and we could see this if sometimes we were not blind, that we have moved from an individualist society to a collectivist society, a society where it is very difficult for a great many of us to make the decisions that affect our own destinies. These decisions are increasingly taken by others on our behalf, particularly by large organizations which exist throughout our whole economy. These decisions are simply beyond our control.

As a Conservative member of this house I naturally believe that to take away from the individual the rights which have been built up by society and by the law over the years is a move in the wrong direction. I believe we have to draw a line at the point where the right of decision making by individuals is taken away. That is all I have to say in connection with this address.

There is, however, another question which relates to this. It is the government's quiet move to add thousands of civil servants to the federal payroll. Some of these employees will undoubtedly be required, but I believe the government service is best met by an adequate staff well paid and well protected, rather than by an overpopulated and underpaid public service. There is already an indication of a great expansion in the public service quite apart from the new boards and commissions to which I have referred. This trend, taken together with the large number of boards and councils to be set up as foreshadowed in the speech from the throne and in the light of the remarks made by the hon. member for Northumberland in moving the address, indicate to my mind the direction we are taking, a move toward the masterpieces of bureaucracy which the Liberals are so fond of creating, without there being anything new for this great bureaucracy to do.

I should like now to touch on another subject, namely the question of our relationship with other countries. It has seemed to me that the government is moving rapidly away from the United Kingdom and from the European situation in order to tag along behind the United States. I had the good fortune, shortly after the election, to make a trip to the United States lasting about ten days. I needed a holiday at the time as, no doubt, did most of the other members of this house. I had the opportunity of speaking to a large number of United States citizens, including persons in the government service; and whether they are justified or not, United States citizens believe they won the 1963 elections in Canada and they are waiting now for the country to be delivered to them. This impression was confirmed in their minds by the quick trip which our new Prime Minister made to Washington and the amiable, even eager, approach which was made to the President of the United States.

I believe that international and business relations depend a great deal on mental approach, and the belief by the people of the United States is that the present Leader of the Opposition did not give the American people all they wanted but that the new Prime Minister would give it to them. They believe he was elected on this basis. It is therefore my feeling that the Prime Minister and all members of the government must be exceedingly careful in their relations with the United States to see that this impression does not go beyond the point of no return. This is a thing which gradually begins to grow, and we have seen it growing. We have seen the Prime Minister, when answering questions from time to time, eagerly saying "Yes, I went and discussed this with the President of the United States. Yes, our government is taking this up with the United States. Yes, we are doing everything we can". There is a difference between friendly co-operation and being amiable, and there is very often a misunderstanding of this difference.

While we are the best of friends with the United States as a country, and while the Americans as individuals are the best friends we have—we can all testify to this—we are surely competitors in the business, trade and international arenas. Mr. Speaker, when your competitor comes to you and starts patting you on the back, you must begin to wonder what you are doing wrong. I say that if our United States competitors in world trade keep patting us on the back for any extended length of time, I will begin to wonder what is being given away on behalf of Canada. When we begin to hear a few complaints from across the line, that is when I shall feel a little better

about our relationship with that country. I suggest to the government that they must be on guard; that they have started off from a position they may not be able to get out from under, and I think they have to watch it.

We in Canada have been encouraged to believe, as were the electors at the beginning of the last election campaign and throughout, that mutual friendship and respect, both personal and international, depend upon being amiable with others. This is certainly helpful, but it is only one factor in the situation. Being amiable and friendly does not protect the interests of the persons upon whom you rely, in this case the Canadian people, unless it is accompanied by firm declarations that the interests of your country are to be protected, followed by actions to bring about that result. We have heard that the Prime Minister, while being amiable, friendly, and so on, has also been firm about Canadian rights. I do not believe this is true. I believe that up to this point he has been nothing more than amiable and friendly, and I believe this is what has come out of the various meetings. There is nothing wrong with a friendship and a friendly relationship with another country but, Mr. Speaker, the people of this country did not elect a government to give away the heritage that Canada has built up over a great many years.

Accompanying this turning toward the United States is an apparent turning away from the commonwealth. At the beginning of the visit of the Minister of Trade and Commerce to the commonwealth conference in London, the newspapers came out with some very strong statements. I have one clipping with me which says that the minister delivered a "blockbuster" to the conference and told them that he was not interested in commonwealth trade at all, that he was interested purely in an over-all trade pattern, and that the commonwealth as such was not very much good.

As we have seen today from the statement of the minister and the very direct comments made by the former minister of finance, the hon. member for Digby-Annapolis-Kings (Mr. Nowlan), it is very easy to make these general statements on trade. It is very easy to say that we will cut tariffs 50 per cent across the board. But it is not so easy when you come to consider the individual interests of the Canadian people. We have over the years built up a very unusual complex of industry and agriculture in this country. It is one which is not easy to sell. We have a good standard of living. We have high wages, or at least reasonably high wages. We have difficulty in competing with foreign countries, particularly those countries where the wage standard is very low. Over the years we have built up a pattern of trade. We have negotiated time and again in GATT and in other international arenas for the protection of these industries which are Canada's and those agricultural commodities which Canada grows and exports.

It is not possible immediately to enter the picture and say that all that is going to be changed; it just cannot be done, Mr. Speaker. While any government comes into power with great ideas and expressions of opinion, I hope the present government will quickly come down to the facts of life which have been learned by governments in the past, and which this government learned before 1957. We find upon our front benches several members of the previous administration. They knew full well what our problems were. They knew full well that the former government was dealing with them effectively. In order to get elected hon. members opposite had to criticize, granted; but I do believe that unless they face reality and get over their desire to be friendly with everybody and give everybody everything they want, we in Canada are going to face some very severe times ahead.

Mr. Joseph P. O'Keefe (St. John's East): Mr. Speaker, it is not given to all new members to have the opportunity to speak twice during the course of the throne speech debate. However, I am very gratified that a technicality of procedure allows me to make some further remarks. I should like to express my very deep gratitude to my colleagues who, by allowing me to take their place, have afforded me the opportunity of informing the house and the nation about a situation with regard to which I feel very strongly. I refer to Bell island, which is in my district of St. John's East.

Bell island is a community of 14,000 people, and the tragic fact is that of those 14,000 the staggering number of 5,500 are on relief. They are existing, not living. Their fathers and grandfathers before them made a decent, if frugal, living; but these men and women of today in Canada cannot. Wabana is a one industry town. There are only the great iron mines to provide these people with the jobs they need to support them. These mines have been producing the rich red iron ore ever since 1896, and uncounted millions of tons have been torn from the mines. These mines run three or four miles out under the waters of beautiful Conception bay. The reddish dust which covers every single object on Bell island is famed throughout Newfoundland, and the ore which produces this dust has been the bread and butter of many of our people these 70 years now. However, lately Wabana has fallen on hard times.

I am not an expert in these matters, sir, and I do not pretend to be one. I do not understand why these hard times have come. All I know is that the far flung overseas markets seem to have gone away, and the jobs have gone with them. I fear they have gone forever. But the people have not gone, and only this week it was announced that yet another 150 miners would be laid off. Some 5,500 out of 14,000 are on dole, and there will be still more in this Canadian twentieth century.

The company which employs these men no longer finds it economically feasible to offer work, so they are left to shift for themselves. Bell islanders and their forebears have worked this mine for 70 years. The succession of companies that has employed these men in my opinion did precious little to improve the community that housed them. Their only interest over the years, it would seem to me, was to get the ore out of the ground as cheaply as possible. They spent a mere tuppence on the miners, their families and the town. I would not want to write the epitaph of the companies that operated these mines. They have never felt any real sense of obligation to the community that gave them many years of pecuniary gain. As a result Wabana has bred a fiercely independent type of men, proud men, who are humbled at the thought of what lies ahead.

There is no single community in Newfoundland so deserving of whatever constructive policy this house may have to offer. They have nowhere else to turn. They ask us for a helping hand. In past years when these men were working they made a magnificent contribution to Newfoundland's never too prosperous economy. In war and peace they have stood with the finest men of this country. They have given me the great responsibility of being their spokesman in this house. They look to this house, through me, to offer them something more than mere soothing words.

This government has introduced an imaginative and progressive program which will help Canada generally. I have no doubt of that. But, Mr. Speaker, what will this mean to my people of Bell island? How can these policies be translated into action for Wabana, which is an Indian name for "land of the rising sun"? I am not criticizing anyone and I am not blaming anyone, because it may be that there is no blame. I repeat, Mr. Speaker, that this is a national shame which should burn into the heart of every Canadian. Mr. Speaker, you may very well say "Why do these people live on Bell island? Why do they not leave?" But where can they go? Must these people tear themselves away from the homes that have been theirs for generations and go elsewhere? This twentieth century which is Canada's must hold more than this for our people.

What is to be done? I do not know; I wish to God I did. But this I can say, sir, and I say it with all the force I can muster, with all the strength that is in my body and with all the fervour that is in my soul. Something should be done, and I hope that something will be done.

The fact that governmental expenditure may have avoided actual privation and may have even given a boom aspect to sections of our economy cannot conceal the existence of a very high level of unemployment. This has two effects. First, the provincial economy loses millions of dollars in production through the enforced idleness of thousands of its workers, and second all those who are supported by any form of government aid are adding to the load of the people who are gainfully employed. Our province of fewer than half a million, with the lowest level of per capita income in Canada and an enormous territory to administer, cannot be expected to find easy solutions to all these problems.

I believe that any region of Canada which is at this time afflicted with a high rate of unemployment should join forces with a Canada-wide planning association or organization. This should be set up to assist the provinces. This kind of federal-provincial co-operation is, I suggest, essential to national and regional progress. While certain it is that Newfoundland's needs are great and many, it is just as certain that our prospects for the future are indeed bright. Our dynamic premier's list of projects which he hopes to see achieved, as does every Newfoundlander and every Canadian, is indeed challenging and imaginative.

Were I to mention at this time only one, I would have to choose the dramatic development of the vast hydro potential of the Hamilton watershed in Newfoundland, Labrador. Estimates of what can be produced vary from 4 million to 7 million horsepower. Even at the lowest figure this enterprise is immense; it is gigantic by any standard. It would be clearly advantageous to Quebec, to Newfoundland and indeed to Canada as a whole if this power could be fed into a Quebec grid, when power now utilized in Quebec could be released for delivery to Ontario and for export to the United States.

What is certain is that the resources of the province of Newfoundland are now better known than ever before, and that the wishful thinking about them in the past has been converted into actual developments of great magnitude and into prospects which must in time become the source of new production and employment on a substantial

scale. With our rapidly increasing population and costs it will be badly needed in our province.

In that vein, sir, I do not wish to be considered insular or parochial, we are now part of a nation that is great and growing in stature. To us has been committed the destiny of that great nation. It is for us—and I speak particularly to newer members like myself—to realize that in the economic growth and expansion of Canada lies the successful development of all the areas which form its component parts. In that sense may I appeal for a broader outlook in our discussions and an awareness of national problems and their over-all importance. In my opinion, now more than ever before Canada's great need is unity, unity of thought, unity of action and unity of effort.

Perhaps because I am new to the scene I have found great difficulty in accepting or even understanding the dissensions and divisions about which we hear so much.

Some hon. Members: One o'clock.

Mr. Speaker: I am sorry to interrupt the hon. member, but it being one o'clock I do now leave the chair.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

Mr. O'Keefe: Mr. Speaker, at one o'clock I had been saying that Newfoundland is now part of the great nation of Canada, that we are no longer, if we ever were, parochial or insular, that in my opinion the great need of Canada more than ever today is unity, that my own province is united now, united under our premier, united too in its dream and confident, if periodically a little anxious too, of a brilliant and prosperous Canadian future. We now have the organization and the men. May a greater Canada be built by all Canadians with courage, imagination and intelligence.

In simple essence, sir, let us work to the full extent of our ability, dedicated in obligation and in conscience to the needs of our constituents, keeping before us always the future of Canada, our country.

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, now that we are able to go on, knowing our honour has been vindicated, may I say your selection has met with widespread approval, and I would like to include my name among those who feel your selection is so satisfactory.

[Mr. O'Keefe.]

For a member to attempt in this debate to discuss the whole spectrum of affairs which must concern him as a member, would be of course presumptuous and impossible. At the outset may I register a protest against those who would turn politics into a profession in the narrow sense, and who seek to temper politicians into a common mould. Surely the strength of this place is partly due at least to the diversity of its members, both intellectually, technically and ethnically.

In our rush to worship at the altar of planning, we might well recall the plea of the painter Kokoschka who said, "nationalizing, normalizing and statistical anonymising —these are the deadly enemies of a man who passionately believes in the rights and dignity of the individual." These words cannot be dismissed as being stuffy platitudes of another age. They are, I suggest, modern in their concept and contemporary in their need of application.

I suggest that we must not abjectly abdicate our role to faceless planners and must not, as has been said, permit our parliamentary responsibilities to ooze away. This is not to be construed as being a cry of anguish by one who should be living in another century. I worry lest decision makers, as Toynbee said of our society, become proletarians who are "in" but are not "of" the society they dominate. Planning is obviously essential if we are to progress, but planning without the partnership of the members of this house might well degenerate into planning for its own sake.

It is my hope that NATO, in its anxious search for an acceptable formula to clothe its plan to arm itself with nuclear weapons, will not rush into a patchwork, piecemeal policy merely for the sake of expediency. Surely it should be said that in spite of the flood of technical and military statistics which seek to prove the need for a proliferation of nuclear arms, the proposals before the NATO meetings this week are political and not based on any proven military need?

Some nations are playing the old neighbourhood game of trying to keep up with the Joneses. Patchwork is not too harsh a word for a plan which has evolved in a zig and a zag during the past year. One commentator called the policy evolution "a multinuclear multimaze." Just last March 6 President Kennedy said that if Europe decided the multilateral force was too expensive, then Washington would be content with the present situation, that is, a United States nuclear monopoly within NATO. In November 1962 United States under secretary of state George Ball said:

> We do not feel that the alliance has an urgent need for a European nuclear contribution.

Is it any wonder, Mr. Speaker, that the public looks on somewhat cynically at the scramble to evolve a nuclear policy for NATO, knowing perfectly well such a force has no military reason for existence? Walter Lippmann in a recent column headed "The Phony Nuclear Deal", published in the Saint John *Telegraph-Journal* of May 15 said:

> On the face of it, there is something strange about the urgency with which the U.S. administration has been pushing the British, the Italians and the Germans—particularly the Germans—to accept a scheme for a European nuclear force. Although the administration insists that the United States has a nuclear power which is quite adequate for the defence of the west, it continues to press the Europeans to interest themselves in nuclear matters.
>
> Why? The administration does not like General de Gaulle's nuclear enterprise. It thinks poorly of the British nuclear effort. Yet it keeps slogging along toward a multilateral scheme which would bring the Germans into the nuclear business and, incidentally, induce them to pay a large share of the cost.

In another part of the article he makes this charge of the scheme:

> It is, I believe, an amateurish, naïve and deeply unwise project.

May I add my own astonishment about the theory that in order to be a first class nation, a country must be equipped with nuclear weapons. This to me is cynical classification in the extreme. Are Norway and Denmark any less first class because of their refusal to participate in this "amateurish, naïve and deeply unwise project"?

Surely the gods must laugh at man's latest standard of measurement. Surely those victims of Hiroshima and Nagasaki must be repelled as are men everywhere by this new measure of a nation's worth.

Many of us have had an opportunity to read Pope John's recent encyclical "Pacem in Terris". May I suggest, as a non-Roman Catholic, that the world will share the anxiety of Catholics about the illness of this most remarkable Pope. The Manchester *Guardian* on April 18, 1963, commented that "Pacem in Terris" gives the world "a lead from the Pope on co-existence" and calls the encyclical "one of the most satisfactory attempts yet made to work out the ground rules of ideological co-existence between east and west, in a form which might in the distant future acceptable to both sides."

Walter Lippmann writes of the encyclical:

> In reaching out beyond the clergy and the faithful of his own church to all men of good will, including the declared enemies of his church, the Pope has based the arguments of his message not on revelation and the inspired teachings of the church but on a philosophical principle. It is that there is in all men at least the rudiments of a conscience, at least some capacity to reason, and some inclination to follow it... It is a profoundly moving event in the history of our times that this high-minded and good-natured Pope should be telling men that this is the way to peace among themselves and in all the lands.

In her most excellent address in reply, the hon. member for Northumberland (Miss Jewett) suggested that we should "encourage our trading, cultural and other relationships with some of these countries in the communist world". If I have any criticism of her speech it would be that she might well have spelled out that she meant by this diplomatic recognition of the Peoples Republic of China. I hope it will not become a habit of Liberals to cloud what they mean in obscurity—the speech from the throne is another example of this unsatisfactory tendency. In that speech, arming Canadian forces with nuclear weapons becomes:

> The armed forces of Canada should have available the modern weapons necessary to perform effectively the defensive tasks which Canada has undertaken in the alliance.

This is a textbook example of hiding clear meaning under a welter of words.

Having made this gentle comment, may I agree that red China, as it is popularly known, should be recognized by this country and should be seated in the United Nations. Dr. Wilder Penfield, speaking at the University of New Brunswick last week—coincidentally on the same day that the hon. lady was speaking—suggests that "we face a dangerous emergency" because "governments like Canada and the United States do not speak directly to the Peoples Republic of China." There is no need for me to weary this house with a long treatise about the fact that diplomatic recognition obviously does not mean approval of China's overt acts of aggression. But surely it is folly to try to seal off 700 million people from the stream of world diplomacy.

There will be another occasion to mention the dedicated devotion to disarmament of the former secretary of state for external affairs (Mr. Green). Canada's chief negotiator at the disarmament conference at Geneva has played a hero's role. It would be a tragedy, not of this decade but of this age, if the United States and Russia cannot reach agreement on the nuclear test ban. The bargaining must continue. The gap between three inspections as proposed by Russia and seven as proposed by the United States is too narrow not to permit of further concessions on both sides. Many scientists articulate in the intricacies of the nuclear era tell us that a test ban treaty is in the best interests of the United States and of world peace. A treaty, they said in a statement in the Washington *Post* in April this year, "would reduce the speed of the present arms race, inhibit the spread of nuclear weapons to non-nuclear

powers, reduce the likelihood of nuclear war, and prevent the extension of the hazards of fallout." Opponents of concessions at the Geneva conference claim modification means appeasement. In fact, say the scientists, during the time since the test ban discussions began in 1958 detection techniques have improved. It is now possible to detect explosions within a given country by stations outside that country. It should continue to be Canada's objective, to use President Kennedy's expression, "to prevent the genie from getting out of the bottle".

Mr. Speaker, during the last election a good deal of nonsense was indulged in about anti-Americanism. I suppose no part of Canada has closer ties with the United States than have the maritime provinces. A couple of generations ago Harvard trained our lawyers and M.I.T. our engineers. There is hardly a family in the maritimes that cannot visit a relative in what are colloquially know as the "Boston states". It seems almost trite to disclaim anti-Americanism. No nation carrying such harrowing world wide responsibilities as does the United States should be subject to anything but constructive comment and criticism. This does not mean that we help the United States by abjectly accepting all her pronouncements upon world affairs without question. Canada has unique political military and economic problems which should be appreciated by United States politicians. Now that the election is over I presume United States newspapers and periodicals will resume their massive ignoring of Canada, although perhaps a helpful side-effect of the NATO meeting will be that some newspapermen will find us interesting and our affairs worth commenting upon. There is more to Canada than the F.L.Q.

Many Canadians were disappointed by the total disregard in the throne speech of any mention of the problems facing our universities. The previous government has an enviable record in aid to universities—first, by increasing the grants per student enrolled and, second, by including dormitory construction under long term C.M.H.C. loans.

Adjectives and superlatives abound about university problems but in most instances are not used in exaggeration. "Crisis" was the word used in 1961; "staggering" was how the Canadian Universities Foundation described its analysis of financial requirements on operating and capital account for the foreseeable future. Total university expenditure in 1960-1961 was $282 million. That estimated in 1965-1966 is $692 million. The plan for university scholarships is commendable but will only touch half the problem. Flying on one wing, someone has termed the plan. In fact, a scheme for scholarships without immediate and generous federal assistance to both capital and current costs of educating the students would be a menace and not a help. I suggest that every dollar for scholarships should be matched by a dollar paid to the university to help with overhead costs. This will not end federal responsibility. Obviously a drastic upward revision in federal grants must be an immediate government decision—60 days will be none too soon to tell our universities that substantial additional help is coming.

Mr. Speaker, both in Britain and Canada attention is being focused on the role of parliament and its members in the contemporary scene. Mr. J. Grimond, leader of the Liberal party in the United Kingdom, says it is not as if the House of Commons had been handed down by God; it should be reformed.

Dean James A. Gibson of Carleton University in an address to the Ottawa chapter of the Canadian public relations society made several suggestions which I will merely list. One of these was mentioned by our leader the other day. The first was a permanent voters list, which would be an obvious advantage and is long overdue. Second, he suggested smaller parliamentary committees with expert staffs. As Dean Gibson says, the opportunities for a backbench private member to become well briefed on subjects of national concern are inadequate and much neglected. Third, he recommended an agreement by the parties as to how much time should be allotted to debates on particular topics. Fourth —and I think this is a very interesting one and should be of concern particularly to government benches—debates on public questions which are the deliberate concern of parliament should take place in the House of Commons and not on television or radio. And last, fuller, more informative and more genuine reporting to the people of Canada by all the official delegations which go abroad, including reporting on their extra-curricular visits. I am told, by the way, that everyone who had an extra-curricular visit to Paris last year was returned, which is a measure of the maturity of Canadian electors.

An hon. Member: Not only returned; they were re-elected.

Mr. Pickersgill: Where did the hon. gentleman say they were returned to?

Mr. Fairweather: To this place, sir. I think "re-elected" is a better word and I thank my hon. friend for his editing of my interpolation. Reform must come from within if our

reputation and authority are to be reviewed. We should, particularly in view of the minority government, stop treating every vote as a vote of confidence. Sometimes I like to think this house by its collective wisdom should be able to get a minister to concede a point, or change a policy, without bringing down the government.

Mark Bonham Carter, writing in the *Guardian* of March 14, 1963, said that there are three questions—and I think these questions apply to us—to be answered. Is parliament efficient? Does it control our governors? Is it representative of the country as a whole? I am afraid we must share the answer which was given in England and say that the answer is almost certainly no. An hon. member must, in my opinion, have access to information and this should be provided by availability of expert staffs and through specialized committees.

Finally, Mr. Speaker, we are being bombarded these days by new and convenient interpretations of the constitution, most of them under the guise of a formula to make confederation work. Some of these statements show a singular lack of appreciation for the objectives of the British North America Act. I think it will not do us harm if we remind ourselves that Sir John A. Macdonald and his colleagues designed the act of confederation expressly to avoid the narrowness of the states rights provisions of the United States constitution. The statesmen of Sir John's day knew all about the American document and a study of the debates prior to confederation shows the length to which our constitution-makers went to avoid the narrowness of the United States constitution, which is being shown today in the state of Alabama. Canada has been ill-served in the intervening years by narrow and restrictive interpretations of the B.N.A. Act. I suggest that when we here chart a course to help Quebec and her culture reach their undoubted place within the confederation, we recall the days of 100 years ago. Perhaps that could be our contribution to our centenary. It is not so much the document which is at fault, but the spirit with which it has been interpreted since its enactment. Surely there can be no Canada without Quebec; neither can there be Quebec without Canada.

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, I appreciate the opportunity this afternoon of participating in this debate on issues which we believe are of vital concern to the whole Canadian economy. I hope I will not be considered disrespectful if I omit words of congratulation to the various hon. members who have been the object of so many similar expressions during these last days; I just want to say I agree with them all.

As I listen to the various addresses being made, especially from the members of the official opposition, it is interesting to compare them with some of their activities and statements of days gone by. We listened with interest to the intervention of the hon. member for Macleod (Mr. Kindt) just a few days ago. He endeavoured, in his own words, to set the record straight with regard to the circumstances which led to the defeat of the former government. He severely reprimanded the leader of this group, the hon. member for Red Deer (Mr. Thompson), because of some statements which he made pointing out the reasons why the former government was overthrown. He then proceeded to give what he considered to be his own interpretation of those circumstances. I would suggest, however, that the hon. member for Red Deer was much closer to the truth than was the hon. member for Macleod.

It has also been interesting to listen to some of the speakers of the official opposition in their references to the throne speech. It has been pointed out on a number of occasions that as far as they are concerned it is more or less a rehash of legislation that had already been proposed by the Progressive Conservative party while they were in office. Then they proceeded, as did the former prime minister also, to point out that this was a far cry from what the people had the right to expect from this present administration. So it would seem, as you put those statements together, that they were far from satisfied with the program they themselves endeavoured to put into operation during the time they were in office.

Mr. Speaker, as we consider some of the important issues which were raised in the speech from the throne, I would like to say that we recognize that there are a number of them which will be of far reaching consequence, if attention is given to the matter of implementing them and carrying them through to their logical conclusion. However, if they just appear on the order paper and are briefly debated and then forgotten, we are not going to get very much benefit from the matters which have been presented.

First of all I should like to deal briefly with the question of national defence. It has been pointed out in the throne speech that we will be called upon to give approval to the setting up of a defence committee. I should like to suggest that this was a matter which was raised on many occasions by the leader of this party, and then on later occasions was picked up by the Prime Minister (Mr. Pearson) and included in his program. The debates on this important subject in the previous sessions and also in this session point up very conclusively, I believe, the

need for such a committee. The information we have been able to obtain is very sketchy. Very little information has been given when questions have been asked and it seems as though everything has somehow been covered with a dark cloak to obscure it from the view of hon. members. Mr. Speaker, I suggest that this committee should be set up immediately so that this important matter of national defence can be taken out of the area of the political football field and considered by the representatives of the people in this house who will be appointed to that committee. We have had an indication, on the one hand, that the government is very hasty in arriving at decisions without reference to the committee which is to be set up. On the other hand we have had a tendency to tie the hands of this committee even before it is established and has had an opportunity of considering the issue of defence in the light of all the available information, the military requirements and the international situation that obtains from time to time. Therefore, Mr. Speaker, I would urge that this committee be set up and put to work at the very earliest possible moment.

In the speech from the throne we have a very brief reference to agriculture. It has been pointed out that we are now to have two ministers of agriculture, one from the east and one from the west. I do not know whether this is the best policy. I question whether it is. The trouble is that in the past, under the former Liberal administration and the Conservative administration, we have had a patchwork set-up as far as agriculture is concerned. We have had not just two policies but a great many policies. I remember that when I had the opportunity of representing the Fraser Valley a number of years ago I called the attention of the government to the fact that certain overriding policies must be laid down as far as agriculture is concerned. I recognize the fact, of course, that separate areas have separate problems and perhaps special consideration will have to be given to those areas, but I also believe we must have certain policies that apply right across the nation. Unless we have these we are not going to have that unity which has been the subject of so much discussion in this house.

I listened with interest to the hon. member from Wentworth (Mr. Morison) when he was participating in the debate yesterday. He referred to the lucky western farmers. He went on to say that, contrary to the lucky western farmers, the farmers in his area were caught in the cost-price squeeze. May I say, Mr. Speaker, that this is one problem that applies right across the nation. From coast to coast those in this great primary producing industry, agriculture, are faced with this same problem. It has been pointed out on some occasions that the income of farmers has increased. However, when one takes into consideration the constantly increasing costs of production there is not very much to brag about. This applies to those in eastern Canada as well as those in western Canada. Therefore I would suggest that this matter be given very serious consideration, as I believe it will, in order that agriculture may move up the scale and occupy that place in our economy that it should occupy. I would urge that it receive its fair share of the income of this great nation of ours.

There is a reference in the speech from the throne to the development of a national fisheries policy. This is also a very important matter. The fisheries, as well as agriculture, is a very important matter as far as my own constituency is concerned. Certainly as far as British Columbia is concerned the fisheries is one of our great industries. Those engaged in the fishing industry, and the representatives of the fisheries organizations, are very apprehensive of the trends and developments relating to this industry. I have received through the mail a number of communications with respect to this matter and to the amendments to the international north Pacific fisheries treaty. I think these organizations were perfectly within their rights when they requested that these matters be referred to the parliamentary committee on marine and fisheries before they were given approval by the cabinet. Instead of that however, the cabinet has apparently seen fit to go ahead and approve these amendments without having them taken under advisement by the committee, and without giving these organizations an opportunity of making representations.

In this connection, I wish to refer to a letter from the Hon. Earle C. Westwood, minister of recreation, conservation and fisheries for British Columbia. This letter was addressed to the Hon. J. Angus MacLean, who was then our minister of fisheries. It states:

> As minister of fisheries for the province of British Columbia herewith my request that implementation of the recommendations and decisions of the Canadian section of the international north Pacific fisheries commission pertaining to the decisions re abstention zones reached at the commission's 1962 annual meeting held in Seattle, November 17, 1962 be subject to examination by the federal standing committee on marine and fisheries.
>
> Such consideration and hearings before the standing committee on marine and fisheries will permit opportunity for those concerned to submit briefs on the recommendations and decisions of the Canadian section of the commission before these recommendations are brought to the floor of the House of Commons.

Apparently he was rather optimistic when he thought it would go that far. He then proceeds to give the reasons for this particular request. Before the last parliament was dissolved we had a full delegation from the united fishermen and allied workers' union who presented this matter to the various groups in this house for consideration. They asked for the same consideration. In spite of this, the minister of fisheries apparently saw fit to go ahead, without allowing representations to be made to him in this regard, and gave approval to the amendments to the treaty. Mr. Speaker, this is not a very good way to promote public relations. It is not a very good way to promote understanding between the various groups which make up our economy, and the legislative bodies. I trust that with all speed this committee will be set up and will have the opportunity of studying not only those amendments, which consideration may be now too late, but also other suggestions and recommendations which those interested in this industry can present.

The speech from the throne contained reference to municipal financing problems. This is a matter that was given great consideration by the members of this particular group. We have insisted that if we are going to solve our problems we have to solve the problem of municipal financing. We have recommended the establishment of a municipal development bank, as a branch of the Bank of Canada, to make loans to municipalities at the cost of administration. This has been taken up by some of the other groups. They will not follow, of course, the formula that we suggest, but nevertheless we appreciate the fact that recognition is given to the problem and they are willing to consider this particular matter.

I wonder if this proposal will share the same unfortunate fate that befell the Municipal Improvements Assistance Act some years ago. Under the Municipal Improvements Assistance Act of 1938 loans could be made to municipalities at a rate of interest of 2 per cent. In *Hansard* of October 24, 1957, page 389 we have the record of questions in this connection raised by the late Mr. Tom Irwin of this group. He was advised that all loans were discontinued after December 31, 1940, and no applications have since been entertained. Up to that time 143 applications for loans were received of which 110 were approved. You will notice, Mr. Speaker, that this act was passed in 1938 but after 1940 no further applications for loans were entertained.

I wonder why the Liberal party put a stop to that particular program. I wonder why they ceased to make loans under that act. Quite a few years have lapsed but now they come along with the suggestion—I do not know whether or not the rate of interest is going to be 2 per cent—that they are going to set up a municipal loan fund of some description. I hope it does not share the fate of the one that was established in 1938.

Another matter to which a number of members have made reference is the question of the Columbia development. We look forward with a great deal of anticipation to an early and favourable conclusion of the negotiations now going on with respect to this project. Liberal governments have not acted with any great degree of alacrity in the past with respect to the development of this great source of power. For many years it was under consideration but that is as far as it got. It was a Liberal government that blocked the plan some years ago to develop this system and it is questionable if any plan considered since that time has been any more advantageous than the one proposed then.

The Prime Minister now promises to renegotiate the treaty, but we hope this will not result in several more decades of delay and frustration. I am not going to say that no changes should be made. The hon. member for Okanagan-Revelstoke (Mr. Fleming) stated today, I believe, that it is difficult for a layman to understand all the ins and outs of this great problem. I simply voice the hope that the negotiations may be concluded speedily and that we will be able to proceed with this great project that will mean so much not only to the province of British Columbia but to the whole nation as well.

There are many matters with which I wish to deal, including quite a number of problems relating to my own constituency, but opportunities will be afforded on future occasions and I will reserve my remarks on them until then.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, as the member representing the Garden of Eden of Canada I am very happy to have the opportunity to make a few remarks in this most important debate where we are able to bring forward those things that directly concern us and our constituents. First of all, Mr. Speaker, it is my duty and my pleasure to congratulate you on your appointment as Speaker for this parliament. I am sure you have the good will of the whole house. I know that principles of justice and fair play endure throughout the centuries and I want to say, Mr. Speaker, that I trust when time steals your years away and you come to the end of your Speaker's day you will be able to use the words of Solon, the father of Athenian democracy, in about the seventh century before Christ and say with him:

I gave the commons their sufficient meed
Of strength, nor let them lack, nor yet exceed
Those who were mighty and magnificent,
I bade them have their due and be content.
My strong shield guarded both sides equally
And gave to neither unjust victory.

I also wish to take the opportunity to congratulate the Deputy Speaker and chairman of committees on his appointment. I cannot proceed with my remarks without congratulating the mover (Miss Jewett) and seconder (Mr. Choquette) of the address in reply to the speech from the throne. Someone has said that eloquence is the transfer of thought and emotion from one heart to another. I must say that the lady member who moved the motion met that test to the fullest degree. Hers was in every sense of the word a most successful maiden speech. I must say also that I enjoyed the seconder's vehement simplicity of language and verbal thrust.

Before proceeding with my main topic I want to deal with a matter or two that concern me. There is a growing awareness among members of the house of the need for improvement of the machinery of parliament to meet changing circumstances and conditions. This question will be dealt with at much greater length by members of this group and other members of the house, I am quite confident, but I wish to take this opportunity to make a few observations as a result of some recollections in solitude.

With respect to the Senate, I am not going into the question of abolition and reform and that sort of thing. However I do think that good work has been done by committees of the Senate in recent years, particularly by the committee on manpower and the committee on land use, and in my view this good work indicates that the government could use the committees of the Senate to much greater advantage. I suggest that the government give consideration to utilizing the committees of the Senate to carry on certain investigations and inquiries such as are at present given to royal commissions. I think in doing that the government will put these matters in the hands of competent persons and there will be a considerable saving to the public exchequer.

A word or two with respect to the House of Commons. I welcome the reference in the throne speech to the establishment of a committee on procedure under the chairmanship of Mr. Speaker to strengthen, as the words read, and make parliament more effective. In my opinion the committee should give consideration to the length of speeches in order to provide an opportunity for as many members as possible to participate in this type of debate and especially in the committee of the whole house. I think that on occasion speeches are too lengthy and we could save time and provide opportunities for more to participate when the house is in committee.

I think there should be more consideration given to the organization and efficiency of committees, their hours of sitting and so on.

I think the government should give consideration to the necessity of a research staff available to members of parliament. The work of this house, the work of committees and the increasing volume of correspondence make it almost impossible for a member who is attending to his duties to spend much time in research. He is limited largely to cutting pieces out of the newspaper and so on in order to find suitable questions on orders of the day.

I also want to mention something in the nature of a complaint on behalf of the members who sit in this corner of the house. I have received complaints from members on the government side of the house that they are not able to see us very well in this position. I suggest that consideration be given to moving the Sergeant-at-Arms' desk into the centre of the chamber where he can be viewed from all sides in all his magnificence and glory. At the present time, with the hon. member for Port Arthur (Mr. Fisher) on one side and the Sergeant-at-Arms on the other, the hon. member for Vancouver East (Mr. Winch) and the hon. member for Kootenay West have to look, as it were, through a picket fence at you, Mr. Speaker. We do hope that consideration will be given to this matter in order that other members will have the opportunity to see the members in this corner of the house, particularly those who raised this complaint and brought it to my attention. I trust that consideration will be given to this matter. Then, there is another reason for moving the Sergeant-at-Arms to the centre, which I think should even be more convincing. I find that people in the galleries have, on occasion, mistaken the Sergeant-at-Arms for an executive assistant to the New Democratic party. For his sake we should not allow that to happen in the future. I do urge serious consideration of the somewhat personal complaint from this very important corner of the house.

Our leader has very well expressed our response to the items in the throne speech. He has dealt fully with our attitude to the problems that face us today. I am going to confine my remarks from this point on to one very serious and important question, namely, the development of the Columbia river. The Columbia river treaty was signed by the representatives of the governments of Canada and of the United States in Washington on January 17, 1961. Ratification was approved by the United States senate with

only a few minutes of discussion, and with only one dissenting vote, on March 2, 1961. The treaty has not been presented to the Canadian parliament for consideration.

However, Mr. Speaker, the terms of this document have been available to the people of Canada for more than two years, and the result has been a growing understanding of the terms of the treaty as well as the disastrous effect on the rights and vital interests of our country. Many qualified engineers and other persons have given this treaty very careful study from an objective point of view and, as a consequence many organizations and individuals have expressed their opposition to the terms of the treaty. I should like to list some of them briefly in order to indicate to the house the strength of the opposition and the quality of that opposition to this treaty.

First of all, I must mention General McNaughton. I should like to refer hon. members to press reports of his speeches to the Canadian institute of engineering, the Alberta engineering institute and to his articles in magazines and newspapers. Then, there is Mr. F. J. Bartholomew, electrical engineer, Vancouver, B.C., a very well known consulting engineer; Mr. Richard Deane, electrical engineer, for Consolidated Mining and Smelting Company, Rossland, B.C.; Larrett Higgins, Toronto, Ontario Hydro-Electric Commission; J. M. Southin, a very well known British Columbia Conservative and registered professional electrical engineer. He said that this is a treaty we could very well do without. Then, I should like to mention the B.C. convention of the New Democratic party, all the trade unions in British Columbia and many unions in other parts of Canada; and the chambers of commerce of southeastern British Columbia.

In that connection, I should like to refer to a recent incident. You know, a very well known gentleman, Dr. Keenleyside, came to Nelson just before the election. He was invited to speak at a public event there. Then, he had a reception afterwards and some of my friends were at that reception. He took the opportunity to discuss the Columbia treaty and to point out that if it were not signed this year there would not be any treaty signed at all because the United States were getting impatient. He expressed some disappointment at the support the hon. member for Kootenay West was receiving for his views. He urged action to promote early ratification of the treaty. As a result the Nelson chamber of commerce, at the annual meeting of the associated chambers of commerce of southeastern British Columbia, on April 5 and 6 presented a resolution urging immediate ratification of the Columbia river treaty. This was the subject of debate and there were some very qualified engineers and others at that meeting. As a result of that debate, the resolution urging immediate ratification of the present Columbia river treaty was defeated 33 to 15. This indicates the attitude of the chambers of commerce in our district to the present treaty.

The advisory board of the farmers institute of British Columbia have opposed it. The Arrow lakes water resources committee, which represents trade unions, farmers organizations and chambers of commerce as well as rod and gun clubs from Castlegar to Revelstoke, is opposed. The rod and gun clubs of British Columbia have been concerned about the possible damage to fish and wildlife that could be occasioned by this treaty if the basins are not completely cleared of vegetation. Naturally, these organizations have made their views known to governments and members of opposition parties who have become aware, as a result of this, of the opposition to this treaty as it now stands and the effects of this treaty in general.

The present Prime Minister is fully aware of this. He has received numerous communications and has given evidence of his awareness. I should like to quote from a letter he wrote to Mr. Donald C. Waterfield of the water resources committee, Nakusp chamber of commerce, Nakusp, B.C.

Dear Mr. Waterfield:

Your letter of April 12th has just arrived and I would like to assure you that I agree with you that it is imperative to renegotiate the Columbia river treaty.

May I also assure you that all B.C. interests, particularly those of the water resources committee of Nakusp chamber of commerce, will be consulted by a new Liberal government before a final decision is reached.

I was very pleased to hear the Prime Minister's reply to a question I asked him the other day in that respect. I am very pleased also to record again that the hon. member for Coast-Capilano (Mr. Davis) has expressed strong criticism of this treaty. He expressed his criticisms and placed them on the record on December 12, 1962. He also wrote a very interesting article in the Vancouver *Sun* on February 28, 1963, which incidentally is my birthday so I look upon that as a good omen.

During the campaign in Kootenay West the treaty was opposed by the New Democratic party strongly, by the Liberal candidate and was criticized by the Progressive Conservative candidate. The only candidate who supported it without reservations was the Social Credit candidate who came at the bottom of the poll, so you can appreciate the attitude of the people I have the honour to represent, Mr. Speaker.

What about negotiations that led to the present treaty? I am just hurrying through

this history of it for the benefit of new members and in order to refresh the memories of other members to get the subject in proper focus before I fire the parting shot.

1. Negotiations commenced under favourable conditions on principles for determining and apportioning the benefits from the co-operative use and storage of waters and electrical interconnection within the Columbia river system agreed to by the United States and Canadian members of the international joint commission. They are too lengthy to deal with now.

2. We had a good plan for Canada in sequence nine of the joint engineering board report.

3. During the early stages of the negotiations, there was no serious dissent by the United States representatives.

4. Then, suddenly, Premier Bennett apparently in order to downgrade the Columbia opposed the east Kootenay development as proposed in sequence 9A.

I recall talking to one senator about this when I was away on an official trip. He said to me, "You know, Herridge, we were amazed when they threw General McNaughton's aces away in one throw."

5. Then, Premier Bennett called in the Sir Alexander Gibb Company to make a report on the Columbia river and Peace river developments. This report showed that Peace river power would cost 4.5 mills and Columbia river power 2.9 mills. It is an interesting thing to note, Mr. Speaker, that this company with a world wide reputation is no longer employed by the government of British Columbia.

6. As a result of Premier Bennett's demands Canadian rights under the Boundary Waters Treaty Act of 1909 were surrendered in the present treaty.

7. Shortly after the treaty was signed, Premier Bennett wished the treaty terms altered to provide the sale of downstream benefits on a firm and long term basis. We have witnessed some interesting reversals of policy at high levels with regard to the proposed development of the Columbia river.

8. During the discussions on the international rivers bill in 1955 attorney general Bonner and water controller Paget expressed strong opposition to the flooding of the Arrow lakes. This policy was reversed when they came to deal with the present Columbia river treaty.

9. In the years past, the present Leader of the Opposition opposed the idea of the long term export of firm power, then reversed his position according to the throne speech of September last. I want to indicate how completely the hon. gentleman reversed his position, and I quote from page 3 of a statement made by the Right Hon. John Diefenbaker, Prime Minister of Canada, following the signing of the Columbia river treaty in Washington. This is what he said about the treaty:

> So far as Canada is concerned, the most important feature of the treaty is the one I have already referred to—the recognition of the principle of division of downstream benefits. From that principle all the great advantages that are possible for Canada as a result of co-operative development of the Columbia basin flow. Without that principle the entire arrangement would be fruitless for this country.

This is the bedrock upon which the treaty is supposed to stand, but afterwards they hurled that great arrangement overboard.

10. Mr. Fulton, chief negotiator for Canada, opposed the long term sale of downstream benefits in the most vehement language, and then reversed his position.

11. It is obvious from these reversals of policy, on the part of those who are supposed to know what they were talking about, that this present treaty was entered into with undue haste without understanding all of its terms and their consequence, or without the facts with respect to problems and costs of construction, rehabilitation, compensation or the unnecessary destruction of natural resources.

However, as the facts have come to light throughout the months, we can view this delay as a blessing in disguise.

I now submit a quotation from the speech of Professor Marts, professor of geography, Washington University, at the Kelowna natural resources conference in August 1962.

> Canada should resist pressure to hurry a decision from any group including the United States and make certain that their final decision will be a correct one and not regretted at a later date. Canada would be well advised to make haste slowly on the Columbia river development.

This present delay presents an opportunity to the government for the first time to do some effective planning for the development of the water resources of the Columbia river to the advantage of Canada and with equity for the United States. Therefore, on behalf of this party, I suggest the following, and let me say I am trying to be as non-partisan as possible in this. I admit I have a sentimental interest in this question because I live in that country, know its beauty and love its land, waters and beaches. I make these proposals:

1. That the Canadian government inform the United States government and the government of British Columbia that the proposed treaty is not satisfactory.

2. That re-negotiation be commenced on the basis of the adoption of the principles for development adopted by the international joint commission.

3. That the government proceed on the basis that sequence 9 (a) is the most acceptable plan for Canada.

4. That we propose a flexible approach for the timing and staging of developments to fit the load curve. That we should begin the building of the Mica creek dam first in order to provide flood control protection to Canada and the United States.

5. We propose the development of Dorr dam in order to satisfy primary flood control in the United States.

6. We urge the appointment of General McNaughton as chief adviser to the Canadian government negotiating team.

7. We urge that, prior to any final decision, public hearings be held in east and west Kootenay by the Minister of Northern Affairs and National Resources (Mr. Laing) according to the powers provided by the terms of the International Rivers Act. There is nothing like having these questions fairly discussed and presented to the people concerned. The hearings should not be held in a courtroom atmosphere where ordinary citizens are made to feel small and cheap, and uninformed. They should be held in the usual way such hearings have been conducted by the federal government throughout the years.

8. Then the result of the discussions and evidence presented at the public hearings in east and west Kootenay should be referred to the external affairs committee, when it is studying a proposed treaty.

We suggest that this procedure will do the following:

1. Provide opportunity to obtain advice and opinions from qualified persons.

2. Provide an opportunity for organizations and persons in the area affected to be informed and their views heard, whether they are farmers, village residents, industrial workers, tourist operators and so on.

3. Provide the government and members of the external affairs committee with essential information upon which to base any decision.

Now, Mr. Speaker, I have hurried through this very complex and very complicated subject, but I have presented it in such a way so that it would be somewhat easy to digest by those who do not live in the area and are not acquainted with all the developments. Before concluding, and in order that they may get all the available information before they deal with this matter in the house, I suggest all hon. members get copies of a statement on the proposed Columbia river treaty made to senators and members of parliament in the House of Commons on Wednesday, December 12, 1962 at a meeting presided over by joint chairmen, the hon. member for Kootenay East and the hon. member for Kootenay West. This statement was made by General McNaughton. I also suggest they get a copy of an address given by General McNaughton to the association of professional engineers of Alberta held at Calgary on March 23, 1963.

I further suggest they get the latest issue of the *International Journal*, spring 1963, which costs 75 cents a copy. I see my colleague from Toronto has already got a copy of it, as have other hon. members. They will find a very complete article in it on the proposed Columbia treaty, by General A. G. L. McNaughton, which is very informing, covering the legal, engineering and economic aspects of the treaty. I also suggest they get a copy of the *Engineering and Contract Record* for September 1962 in which they will find an article on the Columbia treaty. Then too I suggest they would be well advised to get, from the Department of External Affairs, the report of the international joint commission—United States and Canada—on principles for determining and apportioning benefits from co-operative use of storage of waters and electrical interconnection within the Columbia river system. This will give them an opportunity to understand what is meant by the principles established by the international joint commission for the development of this great river system.

In conclusion I urge hon. members of all parties to consider this present delay as an opportunity to make a thorough review of every aspect of this problem, so that when we come to make a decision with respect to any treaty presented to the house, they will have all the facts available.

I am confident that when they have that information they will say, with a good many of us: "Thank God for General McNaughton, his services and his advice to this nation."

Mr. Viateur Ethier (Glengarry-Prescott): Mr. Speaker, it is a great honour for me to represent the county of Glengarry-Prescott in this house since this was the last riding which one of our great leaders, the Right Hon. William Lyon Mackenzie King, represented before he retired in 1948.

I should like to congratulate you, Mr. Speaker, on your election to the important office you now hold. I extend congratulations also to the Deputy Speaker whom I knew very well, having shared an office with him during the last parliament. I am sure, sir, knowing your good judgment that you will discharge your obligations with impartiality.

I should like also to take this opportunity to congratulate the proposer of the address

in reply to the speech from the throne (Miss Jewett), a newcomer to this house who also represents an agricultural county which might be compared with my own. My congratulations, too, to the seconder, (Mr. Choquette), a very promising young man who proudly represented the French Canadian element in this house. I should like also to congratulate our Prime Minister (Mr. Pearson) on succeeding so nicely in bringing back to office in this parliament the great Liberal party. Congratulations also to the Prime Minister on having selected men of such high quality to help him in his great task of making a success of this twenty sixth parliament. Sincere congratulations to all the cabinet ministers and parliamentary secretaries.

(Translation):

Mr. Speaker, since I represent an important rural riding which is the second largest producer of cheese in Canada, I wish to commend the present government for its intention of giving Canada a second minister of agriculture. I am confident that such a step would greatly improve the lot of eastern farmers. In fact, the farmers of my riding have already started to feel a certain improvement.

I wish to congratulate the Minister of Agriculture (Mr. Hays) for having increased, in the four or five days he had at his disposal, the subsidy on milk used in the manufacturing of cheddar cheese. Contrary to what happened in the past, that will help balance the production of cheese and butter in Canada. Obviously, that will not solve all the problems of our milk producers, but it is a step in the right direction.

Mr. Speaker, as member for an agricultural riding such as Glengarry-Prescott, I can assure the house that I shall press the government unceasingly until milk producers will get at least $3.50 per hundredweight for their milk.

Mr. Speaker, what our eastern farmers are lacking most of all is a greater borrowing power.

I therefore suggest that the Farm Credit Act be amended, as I asked before during the last session of the twenty fifth parliament, so that more farmers may obtain farm loans.

Mr. Speaker, I think that the previous minister of agriculture (Mr. Hamilton) advocated an unimaginative policy in the last parliament. These last few days, we have been criticized by the official opposition for having appointed three men to replace the former minister of agriculture. I sincerely believe that if he had not relied so much on his own judgment and had sought advice from other members, there would not be so many serious mistakes in the pieces of legislation that he had approved by the Department of Agriculture.

I should like to deal first of all with the Farm Credit Act. Last year, we considered this bill and suggested certain amendments. After having discussed the amendments brought forward by the Minister of Agriculture, we asked that the bill be sent to the committee on agriculture for further consideration, but this request was turned down. And I believe that I would not be wrong in saying that it was the first time in the political history of Canada that a parliament sat without a committee on agriculture being called upon to consider certain measures. Now, the hon. members who were here during the last parliament know very well that that is what happened.

The Farm Credit Act, in its present form, is useful to very few farmers in eastern Canada. On the other hand, in western Canada, where the farms are more extended, it might very well be that the farmers derive more benefits from the provisions of the act. However, in eastern Canada, in order to qualify for a farm loan, one must not be over 45 years old. And even at that, if the government would grant a loan for a period of 29 years under the present provisions of the act, the farmer, upon reaching 65, would still have one third of his loan to pay back to the government.

I think the legislation was drafted without the benefit of a close study.

The Cheese and Cheese Factories Improvement Act was also passed rather inconsiderately, because instead of helping the farmers, it made for their exploitation by certain people. Before the Conservatives took over, and introduced that legislation, we had several small cheese factories in my district which operated on a co-operative basis. Now, all those who are familiar with our farming counties know very well that our little cheese factories now hardly exist. Our farmers have to accept what the large concerns are willing to give for their goods.

Moreover, although cheese has been selling for the past two or three years at a higher price than ever before in Canada, the larger number of our farmers got less than $2.50

a hundredweight for their milk last year, including the increased bonus.

Mr. Benidickson: That is true.

Mr. Ethier: For instance, under the Cheese Factories Improvement Act, anybody able to amalgamate a second cheese factory with his own, qualified for a government grant representing 50 per cent of the cost of his business, up to a maximum of $60,000.

Here is what happened in my county. About five years ago, a cheese factory owner having succeeded in buying another small cheese factory qualified for a grant of $60,000. Now, this year, his factory burned down and he lost his business; he does not want to rebuild it and just puts the insurance money in his pocket. It is just as if the government had made that man a present of $60,000.

Now, if the minister of agriculture of the Conservative government at that time had intended to appoint two ministers of agriculture as the present government proposes to do now, we might perhaps have been able to save something. The hon. members for Joliette-L'Assomption-Montcalm (Mr. Pigeon) and Nicolet-Yamaska (Mr. Vincent) did very little last year to assist their minister of agriculture.

Mr. Pigeon: Prove that.

Mr. Gregoire: We saw it in our ridings.

An hon. Member: That is true.

Mr. Ethier: The hon. member for Nicolet-Yamaska should have given his minister of agriculture a hand and—

Mr. Gregoire: That is true.

Mr. Ethier: —I think these members, like myself, represent a rural riding. I was here almost all the time, I seldom stayed away. When I hear some Social Credit members say: "That is true"—

Mr. Gregoire: That is true.

Mr. Ethier: —it reminds me that the majority of last year's Social Credit members came from rural ridings; and what solutions did they offer to the minister of agriculture when they discussed that matter?

Mr. Gregoire: You were not here.

Mr. Ethier: I sat on the other side of the house. You criticized the Liberal opposition, something seldom witnessed in this house. I think—

Mr. Gregoire: Criticize the opposition?

Mr. Ethier: —this year, you can do it, and properly so; you can criticize the Liberal party as much as you like.

Mr. Gregoire: That will not be difficult.

Mr. Ethier: At least, you will be doing what you are supposed to do.

Mr. Gregoire: That is true.

Mr. Pigeon: Would the hon. member allow me a question?

Mr. Ethier: When I have concluded my remarks.

Mr. Gregoire: The hon. member is afraid.

Mr. Ethier: No, I am not afraid, but the hon. member for Joliette-L'Assomption-Montcalm can ask his question when I have concluded my remarks.

An hon. Member: He is afraid.

Mr. Ethier: Mr. Speaker, I want to congratulate the government for having included in the speech from the throne the matter of contributory pension plans.

Mr. Gregoire: More taxes.

Mr. Ethier: The Liberal government deserves congratulations for that project and many others. I think it would be saying the truth to state—

Mr. Gregoire: That is not so sure.

Mr. Ethier: —that all social security measures in Canada were brought before this house by a Liberal government.

Mr. Benidickson: That is true.

Mr. Gregoire: So were taxes.

Mr. Pigeon: Including the atomic bomb.

Mr. Gregoire: And nuclear weapons.

Mr. Ethier: I should like to ask the government to include in that legislation on contributory pensions, a provision to take into consideration people who are 60 years of age and who cannot meet the requirements of their employer, because everyone knows that an individual who has a job requiring a great physical effort cannot give a full day's work after the age of 60.

Mr. Gregoire: We have been saying that for a long time.

Mr. Ethier: Furthermore, it is almost impossible for anybody who is 60 to find a job.

An hon. Member: Even 50.

Mr. Ethier: Then those people have to rely on relief. If we added a special clause to this act we would help those people, which would

relieve municipalities of the heavy burden of looking after those needy persons.

Mr. Speaker, taking into account the increase in the cost of living I would also ask the government to give special consideration to family allowances.

Mr. Gregoire: Now you are talking.

Mr. Ethier: Family allowances are another item introduced in this house by a Liberal administration, but they were submitted to a lot of criticism at that time by the Conservative opposition which only the other day pretended they were the defenders of the small people in Canada. Well, I do not think they were that at the time because they very strenuously criticized the act and they did all they could to prevent its enactment. Family allowances may have had some relation to the cost of living some years ago—

Mr. Gregoire: Twenty years ago.

Mr. Ethier: —but I sincerely feel that a small increase would be most appropriate.

Mr. Gregoire: A large increase.

Mr. Ethier: Mr. Speaker, I believe that if family allowances were paid to the students in the high schools and universities it would encourage parents to keep their children at school.

Mr. Gregoire: Quite true.

Mr. Ethier: We would thus have an increased number of qualified people in the working class—

Mr. Gregoire: Quite true.

Mr. Ethier: —and that would reduce the risk of unemployment.

Before concluding my remarks, Mr. Speaker, I should like to say a few words about the celebrations for the centennial of confederation.

Mr. Gregoire: You were doing well just now.

Mr. Ethier: I sincerely believe that for those celebrations it would be a good idea to recreate the atmosphere of 1867.

In addition, I submit that if we canalized the rapids on the Ottawa river, at Hawkesbury, it would make the river navigable up to the capital area, and we would then have one of the nicest tourist trips for the confederation celebrations.

The elimination of the Hawkesbury rapids and the reconstruction of all wharves which existed in all the villages before the erection of the Carillon dam, would cost very little to the federal treasury and would greatly assist the tourist industry in the years to come.

Mr. Gregoire: We should not forget to dredge the Saguenay river.

Mr. Ethier: Mr. Speaker, again about the confederation centennial I must remind the house that in my riding of Glengarry, which is an old Ontario riding, we have in Williamstown the oldest house in Ontario, the old Sir John Johnston manor house. Since that residence is only 25 miles away from Upper Canada Village, I believe that the federal government, in co-operation with the province of Ontario, could acquire the old structure and make it into a very nice historic site for the celebration of the centennial of confederation.

This scheme would cost very little to the government and it would increase the income from the tourist trade in Canada.

In closing, Mr. Speaker, I should like to congratulate the voters of my beautiful riding of Glengarry-Prescott who have put so much confidence in me, and I am sure that the government we now have will give a fair deal to the farmers, as well as to the other groups of our society.

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, the hon. member has agreed to answer a question at the end of his remarks. Could the hon. member tell us why the new Minister of Agriculture has completely cut off the 25-cent per hundred pounds subsidy on milk, thus reducing by $6 million the income of the dairy producers?

Mr. Ethier: I am sorry I have not understood the hon. member. Would he mind repeating his question?

Mr. Pigeon: Could the hon. member tell us why the new Minister of Agriculture has done away with the 25-cent per hundred pounds subsidy on milk, thus taking away from the dairy producers an income of $6 million? Does he find this step beneficial to the farmers?

Mr. Ethier: I believe that the hon. member could find the answer in yesterday's official *Hansard*, if he would take that trouble. However, I suggest that 25-cent subsidy which was cut off does not take anything away from the farmers, but rather from the capitalists and the dairy plants of the country, for I do not believe that the 25 cents which were supposed to be granted these last three or four years ever reached the farmers; although they were given a bonus of 25 cents this year, they were still getting less than in the past.

Mr. Gilles Gregoire (Lapointe): Would the hon. member allow me a question? As far as his suggestion in regard to family allowances is concerned, has the hon. member made representations to his party and can he say that his party will raise the family allowances before long? Is there no answer coming?

Mr. Ethier: I have clearly specified in the course of my remarks that such representations will be made to the government.

Mr. Gregoire: Since his time has not run out yet, could the hon. member tell us whether he will exert very strong pressure on the government in order that they raise family allowances?

Mr. Ethier: That you will know in due course.

(Text):

Mr. Heath Macquarrie (Queens): It is, sir, a pleasure and an honour for me to be able to participate in this very important throne speech debate. I know there is a tendency in the press and elsewhere to denigrate this particular part of our parliamentary proceedings. I hear the expression that the throne speech debate drones on and interest slackens. Actually, the parliament of Canada is not designed for the amusement of the press gallery. It is of the utmost importance that this legislative chamber remain always a representative body and that we have the viewpoints constantly put forward of those members who are elected from various parts of this country. I think it is a vital and highly necessary part of our proceedings.

I would like to begin, as hon. members who preceded me have begun, in congratulating our Speaker and Deputy Speaker. I would like to say a particular word to the deputy chairman of committees. It is some time since one of our chief presiding officers has come from the Atlantic provinces, and I wish the hon. member for Humber-St. George's (Mr. Batten) all good wishes in the discharge of his duties.

There are those in this country who are concerned about the permanency of the speakership, and this indeed may be a forward step. But as I have looked back over the record of Canadian history I am not convinced that this high office has been degraded by the hon. gentlemen who have held it through the years. I would like to congratulate the mover and the seconder of the address in reply to the speech from the throne. This is not only a perfunctory duty; it is a real pleasure. I congratulate especially the mover, who is a fellow political scientist; indeed, a professor of political science. It would probably be ungracious of me to use the expression "egghead" about such a charming lady, although I have been the recipient of the expression many, many times in the house. But it is for me, perhaps, a more appropriate expression. I think we do well to have a few academicians among the hidebound or practical politicians who make up the bulk of those in this chamber. I would like to say that the hon. member for Kootenay West (Mr. Herridge) indulged in a bit of poetic licence today when he spoke about his constituency being the Garden of Eden. I speak a straight line when I say that I represent the garden province of Canada, the garden of the gulf or, perhaps, in deference to the Solicitor General (Mr. MacNaught) I should say that I represent the most prosperous and most beautiful and politically perceptive part thereof.

I was impressed, too, by the speech of the hon. member for Glengarry-Prescott (Mr. Ethier) and I congratulate him on something I have long sought but have been unable to obtain, his felicity and facility in both languages. If I sought to give him any advice it would not be in languages, but I would say that when it comes to cheese, if he wants to be a gourmet he should try Tyne Valley, Prince Edward Island. I think the mover made a most interesting contribution to the debate and I think my good friend and colleague, the hon. member for Royal (Mr. Fairweather) followed that approach today, in that he and she before him looked at some of the fundamentals upon which our political system is based and examined some of the organizations and institutions of Canadian politics. She, I believe, pointed out that because of her observations and study of the Liberal party she decided to become a Liberal. I would not want to indulge in too much self-confession, but I went through a similar performance and I made a somewhat different choice. I had long been convinced of the great contribution made by the political group that was founded by Sir John A. Macdonald over 100 years ago. I knew he had been impressive in his stand for a strong national policy, that he had shown moderation in days of extremism, that he brought a pragmatic and sound approach to problems facing this difficult, challenging and wonderful country. As I looked over our political history I saw the same emphasis on a sound and vigorous nationalism personified by that great Nova Scotian, that great Canadian, Robert Borden, who was the chief architect of Canada's independent nationhood, the man who said, "If you want our aid, call us to your councils", and who was not unprepared to accept all the responsibilities which were given to this country. Then I thought of one of the series of great Conservatives in the long story of our party, the late Arthur Meighen, who typified forthrightness and a straightforward

meeting of even the most thorny issues, and a refusal to deal in the kind of indirect discourse and opinion-reading which sometimes brings success to the shrewd politician but apparent failure to the statesman.

However, the moment of truth came when as a Canadian voter I sat in the gallery of this House of Commons and saw the frightening drama of the pipe line debate. I saw closure brutally applied. I saw our parliamentary institution shaken to its very foundation. Then I decided to put all else aside and give such energy and ability as I might possess to the party which fought against that terrible threat to our democratic institution. I am proud to say—and I am not one of those who believe that one party has a monopoly of all the virtues—that in the six years in which I supported the government never once did I see it resort to such repressive tactics no matter how sustained or fractious the oposition. I cannot but note that some who sat in the seats of power in those days sit there again.

But enough of the past. We hope those days are gone and that those who are now in government will not even be tempted ever to return to that kind of conduct. Perhaps this is what is meant in the throne speech when we find the expression, "Familiar ways of thought and action are becoming less certain guides". We now have, if not the new era at least a new parliament, a government in office but barely in power. We have a large, active, vigorous opposition. These are things from which one can take some comfort. I believe that the April 8 election has done something; it has expressed the Canadian people's preference for the two-party system, and I believe that before too long the third and fourth parties will disappear from our political spectrum. The New Democratic party was something of a marvel in our age. Never was there a party so long aborning, never such elaborate birth rites, and yet it seems to have gone into a decline before it reached its adolescence.

Mr. Douglas: What a surprise you are going to get.

Mr. Macquarrie: Of the Social Credit party I will say nothing. They, I believe, have troubles enough of their own. But what of the new government, still enjoying a political honeymoon, still basking in the glaring light of favourable publicity? How soon, I ask, will the cracks in its façade become apparent? How quickly will its great list of tremendous promises and magnificent commitments run it into difficulties, difficulties dire and dreadful, I am afraid?

Much is said of the ability of the new administration, and I hope for Canada that these men who form it are as able as their friends proclaim. Yet I cannot forbear to feel that in this new government we have seen administrative ability and expertise become the leading virtues. An efficient and effective bureaucracy is essential in the modern state but the bureaucracy is the means of government. It must never itself become the government. Sound judgment, awareness of the needs of all parts of the country and, above all, an ever-present sensitivity to the parliamentary process and the democratic fundamentals are much, much more important. I sincerely hope that the Prime Minister will never allow these priorities to be lost sight of. As an old professor of mine used to say, experts should be on tap but never on top. This man was a good Liberal too, and there are lots of good Liberals in the universities.

However, Mr. Speaker, I am not disposed to be critical. I believe that Canadians as a whole want to see this government given a chance because they may feel its tenure may not be very long. Yet even at this stage I have one disappointment. I had thought that my long time friend, the Secretary of State for External Affairs (Mr. Martin), would have been a little more prominent in the early 60-day decisive phase of the government. He did not go to London, nor did he go to Hyannis Port. Nor has he in these early decisive days been able to bring about his cherished desire of bringing Canada into the organization of American states. I thought he might be making some tours in Latin America when his Prime Minister was going to Massachusetts and London, but I have not heard that we are moving into the organization of American states.

But I remember what I heard last January. The hon. member who is now Secretary of State for External Affairs said then:

> The time was never more urgent for us to accept the longstanding invitation of every member of the O.A.S. and to join this organization.

I have been looking forward to such a step for many years and I thought he was the man who would finally lead us to accept some of our hemispheric responsibilities. But not even in the speech from the throne do I detect the slightest hint that this step is about to be taken. However, I wish the new Secretary of State for External Affairs well. Never would I accuse him of doing anything to injure Canada's prestige abroad or to lower our standing among the international community. I am equally convinced that the same would be said by every objective Canadian about the two great statesmen who preceded him, the late Sidney Smith and the Hon. Howard Green.

If there was one thing about the last election campaign which I think should soon be forgotten and pass into the limbo of things

which should never be uttered in campaigns, it was the suggestion by spokesmen of the present government that Canada's repute abroad was being lowered. This was positively not the case, and Canada's role in the last six years offers far more eloquent refutation than I could ever give.

I was impressed and pleased with and I congratulate the new member for Vancouver Quadra (Mr. Deachman) upon the remarks he made about the Hon. Howard Green. They were a little in contradiction of some of the things said by some of his political associates during the recent campaign.

But I think this is not a time to dwell on negatives, Mr. Speaker. I think all hon. members will want to assist the new government in its difficult task, and if they do not think they are going to have difficulties they have a rude awakening not far ahead. We are interested in seeing what they will do, in seeing how they will translate into positive and meaningful action the commitments which in such large measure they gave the people of Canada from coast to coast. I should like to presume to assist the new ministers with particular reference to the province of Prince Edward Island.

I think Prince Edward Island makes a good test case. In no province is the question of dominion-provincial relations so important and I think that a dominion government which does well by Prince Edward Island can measure up to discharge its duties properly for the whole of Canada. One fundamental problem in Prince Edward Island is the problem which was germane to the confederation discussions of 1873, that of transportation. We were a bit reluctant to enter confederation—when I say "we" I am speaking historically—and we insisted that efficient and continuous communication with the mainland must be guaranteed by the dominion government.

If you go down through the years you will find that Prince Edward Island members of parliament, whether Liberal or Conservative—we have never had any other kind—have asked about the honouring and the upgrading of this commitment with regard to the question of transportation. It is a vital question. More and more people are showing their good judgment and coming to our island province. They are coming by the thousands and they are welcome. There is room, and the happy thing about it is that those who come return again and again.

Hon. members will recall we have discussed the question of ferries. When the Liberal party came into power in 1935 it found at Borden two ferries, one four years old and one 18 years old. After 22 years in office they left at Borden two ferries, one 10 years old and the other 40 years old. When the last government left office a few weeks ago there were at Borden four ferries on the run or available on the run and plans were under way for yet another new one. So I would say to the new Minister of Transport (Mr. McIlraith), who is not here, along with most of the members of his party, that this is a fundamental thing for him to consider and that he has quite a challenge to meet if he is going to live up to the record of the hon. member for Three Rivers (Mr. Balcer) when he was minister of transport.

I was interested when the minister replied to my colleague, the senior member for Queens (Mr. MacLean), the other day in respect of the building of a new ferry for the Borden-Tormentine run and said that plans are going forward. I should like them to go forward at an even faster rate. I very much hope that the decision to build this ferry, coupled with the lack of reference to the causeway in any official announcement by the government, does not mean that the present government will repudiate the commitment of its predecessor in respect of the building of this tremendous land link which will finally join Canada and Prince Edward Island. I should like to make it very clear that we do not consider the causeway to be one of those projects to be decided upon by the Atlantic development board, no matter how many members it is going to have on it. In the first place, $100 million would not build the causeway and, even more important, this is a great project which has already been decided upon and upon which we received a commitment which I expect will be fulfilled.

Then, I should like to deal with the question of fiscal needs. If the Minister of Finance (Mr. Gordon) were here, I could point out to him the success story of the last government in the way it dealt with our little province. During the fiscal year 1956-57 Prince Edward Island received $4,870,000 from Ottawa. During the fiscal year 1961-62 the amount was $12,242,000. Total expenditures by Ottawa on behalf of Prince Edward Island were, for the corresponding years, $30,569,000 and $47,394,000. This is the kind of pattern we expect him to emulate because if he does not, to plagiarize the title of a well known book, he will have a sorely troubled Prince Edward Island on his hands.

We recall with appreciation how quickly the former government moved to implement the Atlantic Provinces Adjustment Act. This made great new sources of revenue available to our province and to our sister provinces in the maritimes to extend further the services needed by our people.

If the Minister of Northern Affairs and National Resources (Mr. Laing) were here, I would say to him that we hope he will emulate his three predecessors in their vigour and their interest in the development of one of the finest national parks in Canada. With one exception, this park had more visitors than any other in this country last year and the year before. We found that previous years of neglect, money voted and not spent, had to be met in 1957 with a vigorous and massive development program which resulted in a tremendous expansion in the use of the park by people from all over North America.

I would say to the same minister that the roads to resources program has meant a great deal to our people and has translated, in a few short years what was at one time the province's poor highway system into one of the most splendid highway networks in the dominion of Canada.

If the Minister of Agriculture (Mr. Hays) were here I would say that the ARDA program has struck a most generous and appreciative response in Prince Edward Island. Our provincial government, headed by that truly great Canadian the Hon. Walter Shaw, had already embarked upon a program along similar lines which dovetailed magnificently with this program which is known as ARDA. I hope the present Minister of Agriculture or the other one who comes from the east—I suppose we will come under his jurisdiction—will foster and further the development of this magnificent program which is doing so much for the agricultural people of Canada.

I do not know to whom the next item should be directed—perhaps the Minister of National Health and Welfare (Miss LaMarsh). If she were here, I would say that we expect the payment of $75 per month to all our people over 65 years of age. This will be appreciated, as was the increase of $19 which was made by the previous government. The increase would only be $10, but we will appreciate it. I was impressed the other day as I listened to the hon. member for Winnipeg North Centre (Mr. Knowles). He seemed to be somewhat critical of the Liberal party because, in his view, they had taken a long time to fulfil their promise in respect of hospitalization. I suppose one might say that it was our party that fulfilled that promise for them. However, I would not quibble. The year 1919, to which he referred, happens to be the year of my birth, and therefore I cannot say it is a long time ago.

I am also not prepared to say it is a long time when I recall another promise which was made at another Liberal convention in the year 1893. This is a most impressive commitment to the people of Canada and was given by the Liberals then assembled. It was that:

> —the present constitution of the Senate is inconsistent with federal principles in our system of government and is in other respects defective, as it makes the Senate independent of the people and uncontrolled by the public opinion of the country, and should be so amended as to bring it into harmony with the principles of popular government.

This was a plank in the platform in 1893, in 1896, and I need not ask Mr. Speaker, about the implementation of that plank in an ancient platform. Compared with that, the non-implementation of the hospitalization plank of 1919 may be interpreted as a mere lapse of memory. If there are changes in the Senate, I suspect they will be similar to the changes which have been made throughout the years when the Liberal party was in power.

I would not want to give the impression to the members of the new government that we do not wish them well, that we are not here to assist in any way we can in their policies for the people. I should like, at this time, to compliment the Prime Minister upon having selected one of my Prince Edward Island colleagues for a cabinet post. I will not make any comparisons on the importance of the post formerly held by my colleague, the hon. member for Queens (Mr. MacLean) and the post of Solicitor General. I will only say that I am delighted that the Liberal party, after a quarter of a century, has honoured one of the members from Prince Edward Island by giving him a cabinet position. I extend to the Solicitor General (Mr. MacNaught) my good wishes as he takes on his duties. I pledge him such co-operation as I can give in the furtherance of the interests of Prince Edward Island.

I should like to say, too, that I feel similarly about the new member for Kings (Mr. Mullally). Naturally, I cannot compliment him upon defeating my former colleague, Mrs. MacDonald. However, I wish him well and I will say to him, through you sir, that as always I stand for province before party. If the new government, during its tenure of office can do as well or half as well for Prince Edward Island and for the maritimes in general as its predecessor, they will exceed my expectations, but they will please me tremendously.

There is nothing more for me to do at this stage, but I hope in future days I may have an opportunity to participate in debate. While I may not have been active in some ways, Mr. Speaker, I think no hon. member who has ever come to the House of Commons has moved about as much as I have. I began by sitting on the Speaker's remote right and

now I am on the Speaker's immediate left. Who knows where I will end. In the parliaments of Europe they used to interpret and correlate a position in the chamber with one's political views. To date I have been an extreme rightist and an extreme leftist. Possibly my position merely indicates my party whip wanted to get me as far away as possible, or perhaps it was just an accident of seating arrangements.

We will have a big event in Prince Edward Island in 1964, the place where Canada was born and which is the cradle of confederation. At this early stage I would like to extend an invitation to all hon. members to join with the thousands and thousands of others who are coming to our shores to celebrate that inaugural event. I think we will give you a real eye opener and a worthy prelude to the national celebrations which will take place in 1967.

Mr. Ron Basford (Vancouver-Burrard): Mr. Deputy Speaker, I have enjoyed listening to the last remarks of the hon. member for Queens (Mr. Macquarrie), particularly with regard to closure. I find them a little surprising coming from one who is a supporter of the right hon. gentleman opposite, the former prime minister, who undertook to do away with closure and then immediately imposed his own form of closure by governing the country, or trying to govern the country, by refusing to allow parliament to discuss a budget for two years and by imposing taxation and surcharges by order in council, again without allowing parliament the opportunity of discussing them.

I should like to congratulate you, sir, on your election as chairman of committees and Deputy Speaker, and I ask you to convey to the hon. member for Mount Royal my congratulations on his election as Speaker, which I add to the many already offered him. I am sure Mr. Speaker's conduct in his high office will be such that it will lend to the increasing demand that his appointment be permanent.

I also want to congratulate the Prime Minister (Mr. Pearson) on his election as Prime Minister, and his cabinet colleagues on their appointments. I am sure the trust that millions of Canadians have placed in him will be fully justified. I further want to congratulate the mover and seconder of the address in reply to the speech from the throne on the creditable manner in which they performed their task, which has brought honour and distinction to their respective ridings.

I would like to thank the people of my own riding, particularly those who voted for me and worked so hard on my behalf, for giving to me the opportunity, at a fairly early age, of serving in this house and working with other hon. members in making this country a better place for all of us. I would also like to thank my fellow Liberal party members from British Columbia in doing me the honour of selecting me as chairman of the British Columbia caucus.

I think I speak on behalf of all new members on both sides of the house in thanking those hon. members re-elected in the last election for the very warm and gracious way in which they have welcomed us to the house, and for the very helpful way in which they have endeavoured to get us going on our parliamentary duties.

I have not had the opportunity of talking with the hon. member for Burnaby-Coquitlam (Mr. Douglas), but I am sure when I do his welcome will be tinged with a certain regret because, Mr. Speaker, I have the honour—or at least I regard it as an honour—of belonging to a very select group on this side of the house who defeated New Democratic party members of parliament in the recent election. The N.D.P. group in the house has grown smaller as a result of the April 8 election, and I predict that in the years and the elections to come they will grow smaller still.

If the government is allowed by hon. gentlemen opposite to get on with the job of governing Canada and carrying out its program, of which the speech from the throne is only a first instalment, we will be able to show that this party and this government are the really effective element of reform in Canada, and that the New Democratic party, by fighting or refighting the class wars of 50 years ago, is becoming increasingly old fashioned and out of touch with Canada's twentieth century problems. In passing, I would say to the hon. member for Kootenay West (Mr. Herridge), because I know the N.D.P. well, that I think the Sergeant-at-Arms should be left where he is rather than put in the centre of the aisle.

It is traditional in maiden speeches to describe in some detail the beauties of one's own riding. I would like to describe the beauties of my riding and of the west coast of Canada, but the beauties of the west coast are so great that they are indescribable. Rather than describe them I would like to invite all hon. members to come out to the west coast of Canada to see the sort of very beautiful country we have there.

To hon. members who do not know my riding I point out that it is purely urban, situated in the central part of Vancouver and having both residential and industrial sections. While I hope to speak from time to time in the

house with regard to problems of special concern to my riding, such as waterfront development, False Creek harbour development and the Kitsilano air force station which is located in it, at the present I just want to mention it is a purely urban and downtown riding.

Because it is situated right in the city of Vancouver, the general prosperity and welfare of the people of my riding, like that of all people in Vancouver, are dependant largely upon the success of Vancouver becoming the major trading port that it can become. At the present time to handle the people and commodities arriving at our international airport and through our harbour, 24 consulates, five trade commissioners, 21 customs house brokers, 15 shipping agents, 47 shipping company representatives and 26 freight forwarders now make Vancouver their operational base. Because of the importance of trade to Vancouver, and because of the importance of Vancouver becoming the trading centre that it can and must become, I welcome the references in the speech from the throne to the fact that the government will pursue an active and expansionist policy with regard to trade. The welfare of Vancouver and the west coast generally depends on Canada having the freest possible degree of trade. In this particular connection I would like to bring to the attention of the Prime Minister and his colleagues the application of the city of Vancouver for a centennial Pacific trade centre. I shall quote briefly from the application of the city of Vancouver with regard to this trade centre:

> There is reason to expect Canada's exports to northeast and southeast Asia, Australasia and the west coast of the Americas will flow through British Columbia ports at the rate of more than $2 billion a year a decade from now.
>
> To secure this trebled increase and to improve upon it, and in so doing help correct Canada's urgent imbalance in world trade, requires bold, new-fashioned formulas to withstand competition from the aggressive new Europe and the United States.
>
> The Pacific centennial trade centre is proposed as one such bold, new-fashioned formula.
>
> It is the contention of the city of Vancouver that the centennial Pacific trade centre, bringing together under a common roof all traders with Pacific interests, not only will meet the foreseeable demand but, more, will be the prime agent creating it.
>
> It seeks the impetus of the senior government.

This is an application by the city for the construction of a huge trading centre in Vancouver. I would urge upon the Prime Minister that at the appropriate time he give this application the attention it deserves so that we may have constructed in Vancouver a monument not so much to what has been done as to what the port of Vancouver can become.

[Mr. Basford.]

My riding of Vancouver-Burrard is wholly urban. Vancouver, like every major city in Canada, has at its centre areas of blight, decay, ruin and slum. While there are many charming residences in my riding, there are also accommodations in which no human being should be expected to live. I am sure some of the agriculturists opposite would refuse to put some of their animals in such accommodation. For this reason I welcome the announcement in the speech from the throne foreshadowing the establishment of a municipal development and loan board as well as changes in the National Housing Act which, I am sure, will provide cities and municipalities with increased financial assistance in respect of slum clearance and urban redevelopment. I would hope that the mayor and aldermen of my city, as well as those of all other Canadian cities, are farsighted and imaginative enough to take full advantage of this municipal program when it is established.

There are those in our cities who regard slum clearance and urban redevelopment as a luxury which municipal taxpayers can ill afford. On the contrary, slum clearance makes good economic sense. Apart entirely from the social and human values involved—and these should not be minimized—it is of real advantage to municipal taxpayers to redevelop their blighted and slum areas. A decayed area brings little or no revenue to a city, yet the major part of every city's police costs, fire costs, welfare and other costs is spent in these non-revenue producing areas. The largest burden for servicing these blighted and decayed areas falls not on those areas but on the non-slum areas. It therefore makes good economic sense for cities to redevelop these areas and bring them back into active and proper use producing tax revenues for their municipalities.

I had not intended to mention anything about the fishing industry but the subject was raised this afternoon by the hon. member for Fraser Valley (Mr. Patterson). I wish to say only that I welcome the statement in the speech from the throne with regard to the establishment of a 12-mile territorial limit recognizing the treaty rights and historic rights of others. I am sure that in the atmosphere which now prevails under a government which is dealing with our friends as friends and not as enemies, we shall shortly be able to establish a 12-mile limit and thus give to our fisheries on both coasts the protection they need.

I should like to compliment the Minister of Fisheries (Mr. Robichaud) for having come to British Columbia only a few days after

his appointment and sat down with representatives of our fishing industry, our vessel owners, the union and the native brotherhood to discuss the problems of the industry and to hear the representations, made to him with regard to changes in the international north Pacific fisheries convention. I compliment the hon. gentleman on having taken quick and decisive action in this regard and on saving the NORPAC treaty and the international control of fishing in international waters when it was in great danger of collapse. I disagree with what was said by the hon. member for Fraser Valley and compliment the Minister of Fisheries on his conduct.

I welcome the statement in the speech from the throne that the government will be establishing a commission to study biculturalism. There are those who may wonder why people in British Columbia are concerned about this subject when we are so far removed from the scene of action but I can assure you, Mr. Speaker, that we as Canadians are as concerned as anyone else about the present stresses and strains within our confederation. I hope this royal commission will produce at least some of the answers to the problem. I hope that all Canadians, whether we be English speaking or French speaking, will act with understanding and maturity because, if we do, we can surely provide a system by which the rights and privileges of all Canadians are protected and recognized within confederation.

However, in this discussion of biculturalism let us not forget another group of Canadians, those who have come from afar to make their homes in Canada. I ask the indulgence of the house before reading part of a letter which was delivered to me on election day. I might add that it made the afternoon of election day a little more pleasant.

I am authorized by a few dozen naturalized new Canadians to address myself to you on behalf of all of us.

Having discussed thoroughly the question of voting today, we have decided all to vote for the Liberal party on April 8, 1963.

The motives of our unanimous decision were:

We have full confidence as working people and as members of an ethnic group that the Liberal party government will secure for us more jobs, and that the new Liberal government will have also more understanding for our own, as well as for all Canadian ethnic groups, their cultural, social and political needs and aspirations.

Please convey this our feeling of confidence directly to the hon. Lester B. Pearson with the expression of our highest esteem for him.

I urge the house not to forget in our consideration of biculturalism that there are thousands of people, those of whom the hon. member for Spadina (Mr. Ryan) spoke so eloquently, who have come to Canada to build new homes and new lives. In some cases the countries from which they came have been destroyed or have disappeared. These people want to play their part, and an important part, in helping to build this country into the great nation which I am sure it can become.

Mr. J. H. Horner (Acadia): In rising to take part in this debate I should like to congratulate the Speaker, the Deputy Speaker and you, sir, the deputy chairman of committees of the house. I should also like to extend the customary congratulations to the mover (Miss Jewett) and seconder (Mr. Choquette) of the address.

I think, too, it would be fitting for me to pay tribute to my hon. friend, the hon. member for Assiniboia (Mr. Watson) who defeated the once famous member who represented that constituency in this house, none other than Mr. Argue.

An hon. Member: A good man.

Mr. Horner (Acadia): Yes, in your eyes. As another socialist you can agree with him. I think the hon. member who now sits for that constituency did a great service to farmers and Canadians everywhere by defeating that once socialist member who represented the constituency of Assiniboia.

An hon. Member: Shame.

Mr. Horner (Acadia): Because if he had been elected he would have been made minister of agriculture in the Liberal government we now have.

An hon. Member: That is right.

Mr. Horner (Acadia): Someone says that is right. Hon. members over on that side were faced with a very difficult choice. They had a possible left-wing minister of agriculture, but he was defeated so they chose the very opposite, a right-wing minister of agriculture, and they say they were right with either one of them. They do not know their fellowmen very well. I think the whole house should pay tribute to the result of the election in Assiniboia, and I hope we will reap the benefits from that election for many years to come.

Being a farmer, I may deal to quite some extent with agriculture during my talk. I read the speech from the throne carefully to determine what it meant to me and to all farmers in western Canada. I wanted to know whether there was anything we could grasp upon. Was there anything in it hon. members opposite could grasp upon? They seem to want to grasp upon something. I say, grasp upon it, and then tell me what any farmer concerned about agriculture could grasp upon. I followed very closely the vote taken in the United States with regard to farm problems there whereby a guaranteed support price for wheat was rejected by the farmers of that country.

I ask hon. members on the other side of the house, what does that mean to Canadian agriculture? Where does it place their $2 per bushel guaranteed price they campaigned about so vigorously? What assurance can they give me as a representative of the farmers in my constituency that the bottom will not fall out of the price of wheat? I looked at the speech from the throne for some assurance but found none.

Mr. Speaker, I did find a high-sounding paragraph with regard to a program for agriculture, but there was absolutely nothing in it. Then I read a little further and saw reference to a division in the department, the establishment of a second minister. I should like to point out at once that it may take two ministers to do the job as successfully as the former minister of agriculture.

An hon. Member: It may take three.

Mr. Horner (Acadia): It may even take three, as is suggested. Are they trying to scale down the job to fit the man? I do not think so. I think they are doing this for political reasons, and very poor reasons at that. Are they going to set up two separate departments with two deputy ministers, each of which would have a certain amount of control over the stabilization board? Which one would control the stabilization board or other departments like the ARDA program which will be functioning for many years to come all across Canada?

Mr. Olson: It has not functioned yet.

Mr. Horner (Acadia): The brilliant comment from a neighbouring constituent in Alberta is that it has not functioned yet. I would inform him that the minister in that province asked for $6 million under ARDA for development in Alberta.

Mr. Olson: Yes, if we get it.

Mr. Horner (Acadia): I would hope you would get it with the co-operation of the Secretary of State (Mr. Pickersgill), who is listening carefully to this debate. You would have got it a year ago if the Alberta government had been prepared to act; and on that subject I will say more later on so I hope the hon. member remains in his seat to hear me out.

Mr. Speaker, at the moment I am dealing with the question of whether the farmers of western Canada can look at the Department of Agriculture and expect jurisdiction, advice and counsel with regard to any particular product we may be producing. The speech from the throne refers to an eastern minister and a western minister. We have livestock industries and feed cattle flourishing in both areas. I think that whatever legislation in agriculture is brought in it must have a basic concept which will apply all across Canada, treating all parts of Canada equally alike. ARDA is a very good example of this. The stabilization board is a very good example of this, as is the Farm Credit Corporation and many others which can quickly be cited. I would question very much whether the Department of Agriculture needs two ministers actually to increase efficiency in that department. I would like to point out that this step does nothing for any particular part of Canada but it may do something for a particular political party which has been trying to favour itself at the expense of all Canada over the last five years.

We in western Canada heard a lot about this $2 per bushel of wheat, so perhaps, Mr. Speaker, you will bear with me if I come back to it for a moment. I might say that No. 1, No. 2 and No. 3 wheat are all supposed to be scaled below $2 a bushel. What of barley and oats? What of Durum wheat? Does there not have to be a relationship between your crops in the acreages allotted? We do not want to have western Canada growing nothing but wheat and no oats or barley. We have seen during the last year or two a shortage of oats in western Canada. A year ago oats had to be imported from the United States. If wheat is priced at $2 a bushel and oats at only 50 cents a bushel, what will the farmer grow? Of course he will grow more wheat than formerly. He will take acres out of oats and put them into wheat, and we will have again to import feed grains into the country, which is likely to occur in years ahead with a Liberal government, and have a surplus of grain.

We in western Canada paid particular note also to the fact that the wheat board and board of grain commissioners were taken out of the Department of Agriculture and placed once again into the Department of Trade and Commerce. Many farmers have asked me why this was done. I am a person of non-partisan views in many cases. I had a number of Liberals and a tremendous number of N.D.P. people supporting me and voting for me, but the only true answer I could give them was that there was a political reason for the government taking this step. It was taken a day or two after the government took office. I ask, why would a minister from Toronto sell more wheat and feel more responsible to sell wheat than one who had grown up and been raised in the wheat growing areas of western Canada? It has no real logic to it, and I doubt whether it will work as efficiently as the former one.

It is interesting to note that taking the wheat board and the board of grain commissioners out of the Department of Agriculture means that they now fall under the

responsibility of a former deputy minister of trade and commerce. A few years ago when farmers had a surplus of grain and wanted an advance on the grain they had stored in the granaries on their farms, the department said no. Farm unions and representatives came to Ottawa and asked for cash advances several times. This is an old story to the Minister of Trade and Commerce (Mr. Sharp). He determinedly said no in those days, and I suppose that western farmers in particular can look forward to being told no in the future.

An hon. Member: That is the Liberal answer.

Mr. Horner (Acadia): As my colleague says, that is the Liberal answer.

Western farmers enjoyed a reasonably good year in 1962 while many areas were still plagued with drought. Grasshoppers were still a problem in other areas. The cattle industry enjoyed a relatively good year. Farm income was high. Farmers are now asking themselves, "What will a change in government in Ottawa do to the money in our pockets?" They are asking themselves whether they will have more or less money. After all, this is the way in which farmers usually judge governments. I think farmers are concerned today. They were concerned about the political shifts in the Department of Agriculture as soon as there was a change of government. They immediately looked to the speech from the throne to see if they could find any reassurance there. They found none. We will be watching agricultural legislation very, very closely in the weeks ahead. We will be looking for this assurance in the hope that it will be forthcoming.

We hear talk about trade missions and wheat exports. We know wheat exports are down a little in relation to what they were in the past. We want assurance in this regard. As a representative of an agricultural constituency I will be working hard trying to obtain some assurance for the farmers I represent and farmers generally across western Canada.

As a member from the province of Alberta I had the idea that a veterinary college should be established in that province. Alberta has been hanging back. At one time the premier of Alberta said that a veterinary college would be a white elephant. He has come off that to some extent; he now says, no, it would not be a white elephant; but he has not proposed any actual expenditure in this connection. I hope the present Minister of Agriculture (Mr. Hays) who is a colleague, one might say, from Alberta, will use his good offices to try to encourage the somewhat slow department in Alberta to promote and create a veterinary college for that province, in which most of the livestock in western Canada are raised.

There is one other thing I should like to point out. The constituency which I represent is sometimes plagued with drought and is commonly called the short grass country. Many community boards have been set up to promote water studies and feed resources in the southern part of that riding. I was interested the other day in a report to the effect that the prairie water conservation board wanted to go ahead with a very thorough study of what might be called the eastern Rocky mountains watershed. This whole concept springs from the resources conference which we had a couple of years ago. Alberta once again said no.

Mr. Olson: We have already had such a study.

Mr. Horner (Acadia): Alberta once again said no, they would not contribute and would not enter into a study of the potential water resources of the prairie provinces. Because Manitoba and Saskatchewan said they would, Alberta said they would not. I would ask the Minister of Agriculture to use his good offices to urge Alberta, that wealthy province of Alberta that we hear so much about, to move on this suggestion, because in many parts of that province we are still forgotten on this question of water. Many parts of Alberta could use greater feed resources for a greater intensification of the livestock industry.

Mr. Olson: Mr. Speaker, I wonder whether the hon. member would permit a question.

Mr. Horner (Acadia): I would be glad to do so.

Mr. Olson: I wonder whether the hon. member has read the very exhaustive study that was undertaken in about 1952 respecting this whole area about which he now speaks, prior to the arrangements for the south Saskatchewan river dam.

Mr. Horner (Acadia): I do not know that I have read the particular report to which the hon. member refers. He failed to give it a title. I might have read it, but I might not. I would rather not deal with that question now. I have read many studies with regard to the watershed and the water resources with which we are so blessed in the prairie provinces, particularly in Alberta. I am vitally interested in this question, and I would once again urge the hon. member who is particularly interested in my speech to get in touch with his party in Alberta on this question. Perhaps when there is an election out there he could urge them to make some promises in an election campaign which would give

some ray of hope to that area which is so badly in need of water as a guaranteed feed resource. This is very important to the people and the livestock industry there.

Mr. Speaker, I should now like to leave the subject of agriculture and deal with another question. Many of my constituents looked to the speech from the throne to find a ray of hope or an assurance that they may have a job tomorrow or the day after tomorrow. I refer in this connection particularly to the operations of the C.N.R. railroad and transportation by rail generally. I read the speech from the throne and found very little reference to rail transportation, railway line abandonment, and so on. I found no guarantee that any significant legislation would be forthcoming in this regard. The other day questions were asked in this house with regard to the discontinuance of railway services from Winnipeg to Calgary. These questions were asked because the people in those areas are concerned about this matter. I refer to the people who are receiving benefits from these services and the people operating the trains. This is just one more step in the operations of the C.N.R. The policy of the C.N.R. is to continually take away services and eventually abandon the line if possible. The policy laid down by the president of the C.N.R. is that the railroad should become bulk haulers and they should do away with all other types of traffic. It is strange to me, Mr. Speaker, that a bus can run along a highway and carry passengers, when its maintenance costs are higher and fuel consumption, and so on, are higher than is the case with many railway lines. On the railway you have smaller inclines and no breaking up of roads which causes wear on tires, or anything of this sort. The question was asked the other day about trains Nos. 9 and 10 being discontinued. There is no regular bus route to replace these trains. No other means of passenger service will be implemented or could be implemented. Since the change of government the railway have failed to take into consideration the needs of this area in what might be called the south central part of the prairies.

We know the railroad operations will come up for review in the sessional committee which will be set up very soon, I hope. This committee will study the yearly operations of the C.N.R. This house knows my feelings with regard to the management of the C.N.R. A fellow by the name of Coyne entered into saving Mr. Gordon's neck a few years ago. In any case, I hope that sessional committee will study the expenditures and operations of the C.N.R. very, very closely. This railroad did away with firemen. They are now trying to lengthen their runs; they are trying to run through divisional points and lengthen the runs so they may last, particularly in winter, from six to 16 hours. No man can stay on the job day in and day out for 16 hours without its having some effect upon his health or the proper fulfilment of his duties. We have already increased the operational duties of the sectionmen, while at the same time cutting down on the help. To me and my constituents this appears to be nothing more than a matter of increasing the hazards of railway travel. One can only note that the accident rate on the railways has gone up and is going up and this emphasizes the fact that the direction of movement of railway management can only lead to an increase in the accident rate.

I do not want to go into the question of railway deficits. We all know that the C.N.R. took over many uneconomic lines. We all know that in some cases some lines may perhaps have to be abandoned in all parts of Canada. But I do think we all agree that in most cases the C.N.R. has a duty to provide a service and a means of transportation for the goods and commodities produced by the people of Canada.

My constituency along with several others is going to be affected a great deal by any changes in transportation policy that may result from the MacPherson report. I was vitally interested in the legislation proposed by the former government and I looked in the speech from the throne for some assurance of the continuation of jobs in the field of railway transportation. We find little assurance. We will once again watch for any legislative development on the part of the government to provide assurance to railway workers all across Canada that their jobs will be secure and that the trains and trackage will remain as a prominent part of Canada and the movement of Canadian goods.

(Translation):

Mr. Jean-Pierre Côté (Longueuil): Mr. Speaker, allow me to add my own congratulations to the many you have already received on the occasion of your appointment to the high office of Speaker of the house. I wish to pay homage also to the Deputy Speaker. I take this opportunity to congratulate the new ministers who have been called to the cabinet and to encourage them in the hard task that awaits them in order to put our economy back on its feet. I feel sorry for them when I think of the problems their predecessors have saddled them with.

I am very proud to represent in this house the beautiful riding of Longueuil. I take this opportunity to thank my electors who had to choose between the former associate minister

of national defence, a Social Crediter, a member of the New Democratic party and myself. I must say, Mr. Speaker, that I have nothing but praise for my opponents who put up a clean fight, without personalities. I would like to mention in particular the Hon. Pierre Sevigny, a veteran, a colonel, a very sociable man, who has many friends and who had been the member for Longueuil since 1958.

Mr. Speaker, it gives a newcomer in politics a great thrill to have defeated a minister at the polls even though certain people try to play down that victory by saying that my opponent's resignation from the cabinet before the election definitely contributed to his defeat. Yet, I can see from my seat one of the ministers who resigned before last April 8; he is still in the house and even goes so far as to vote with the government. The riding of Longueuil is comprised of seven municipalities situated alongside the St. Lawrence seaway, on the very location where the world fair will be held.

During the post-war years, my riding which is at the foot of both the Jacques Cartier and Victoria bridges, was invaded by an exodus of Montrealers, mostly people who wanted to build themselves a house surrounded by a lawn and garden. There is a wide variety of houses and the price of properties ranges from $5,000 to $150,000. Some municipalities have set up industrial parks that offer many advantages and where industries will be welcome. In fact, we plan to establish an industrial committee that will encourage industries to settle in our area and will show them the benefits that would accrue to them.

I am very much impressed by the speech from the throne which makes known the great decisions the government intends to take, in spite of the fact that the house was convened so quickly after the election.

My first term in the house gives me the great pleasure to witness how tactful, quick-witted and vigorous is the Prime Minister of Canada (Mr. Pearson) and what a great fighter he is.

Mr. Speaker, I was surprised to hear the remarks made by some members of the Social Credit party about the requests directed during the election campaign by the premier of Quebec to the government that was to be elected.

I find their attitude strange, the more so since, during the election campaign, they gave the premier of Quebec—rather coarsely, some people thought—this ultimatum: Mind your own business, otherwise we will fight you in the next provincial election.

Another thing I have found out in the short time I have been here is that the Union Nationale party has its representatives right here in this house, who repeat the speeches made by the leader of the opposition in Quebec. It would be unfortunate that the interruptions of these hon. members, by their arrogant tone and their partisan spirit, should harm the harmonious discussions that might otherwise take place.

I must also point out, Mr. Speaker, all the admiration I have for the Leader of the Opposition (Mr. Diefenbaker) who has I believe, all the qualities of a born opposition leader. As this job is very important in an efficient government, I hope, for the welfare of the country, that he stays in his present position for many years to come.

The province of Quebec has elected more members from the Liberal party than from any other party, for it feels confident that the government of Canada, headed by the Liberal party, will be able to uplift the national economy, to curtail the plague of unemployment which is with us at present, by taking appropriate steps to create new jobs, to give to the country a flag and a national anthem, to set up an inquiry on biculturalism and to bring back order in the public service, so as to make it compulsory for certain civil servants or officials of crown corporations to be bilingual, so that bilingual government employees get a higher salary, and that French Canadians can pass tests in their own language, according to their culture and their education.

The province of Quebec has voted Liberal, for it knows that the Liberal party understands its financial problems as well as its claims in this field, and that it will give it its fair share.

In my capacity as chairman of the school board of Longueuil, I can easily understand the financial problems now facing school boards.

To make up for the time lag in the field of education, the Quebec government must take early steps. And these steps, of course, are very expensive. Under the old regime, the salaries of teachers and day labourers were equal, which created a shortage of teachers. But for the last few years, teachers' salaries have doubled in some cases, and we realize now that we are short of normal schools to train potential teachers. It is essential that the Quebec school system be as good as any in the world.

The people of Quebec have become aware of certain weaknesses in the field of education. But the reforms they have already initiated are very costly and are proving too heavy a burden for the taxpayers. That is why the government of that province claims from the central government its taxation rights as well as authority to establish a national lottery, which seems to me most justified.

Joint programs have not always been favourable to the province of Quebec. A striking example of this is the program for the building of technical and vocational schools. That five year program, which was established in 1957, aimed at giving the provinces 75 per cent of the construction costs of such schools. Well, schools are not built for the sole purpose of taking advantage of a grant; sites had to be chosen and the schools built according to the local needs and in compliance with the new program for technical training.

In 1962, when that joint program came to an end, the province of Quebec was just beginning to carry out the construction of certain technical and vocational schools. When the youth minister asked the federal government to extend the joint program in order that Quebec might be able to take advantage of it, he was informed that the program might be extended for another six months.

How many schools can be built in six months? Can you imagine the millions of dollars the province of Quebec is going to lose because of such a stand? I am convinced that the new government will treat Quebec with fairness in that matter.

Mr. Speaker, the strength of Quebec stems from its financial independence within confederation. When the province has to beg, it loses its pride. The more autonomous Quebec will become, the weaker the separatist tendencies.

I hope, Mr. Speaker, that my insistence on that point shall be forgiven; but I am convinced that a just and well-balanced distribution of taxation would unite strongly together, in one confederative state, all our Canadian provinces.

My very presence in this house proves my faith in confederation, but we must all admit that Quebec has an important part to play within confederation, and that is to assert the French fact throughout Canada. And the other provinces should understand that the French language in Canada must not be restricted to the Quebec boundaries, no more than the French Canadians should think that the English language must stop at the Quebec boundaries. When a Canadian from another province goes to Quebec, he has the right to expect that he may be spoken to in English but when a French Canadian leaves his province, is he not entitled to be answered in his own tongue? It is the same country, Mr. Speaker, and in a bilingual country, must only the French Canadians be bilingual?

In the province of Quebec, there is no problem between the different ethnic groups. You must not think that barricades separate neighbours of different races. A large number of people in Quebec are English speaking; we are proud to have them among us, and I am sure that they are also proud to be from Quebec.

If we can get along wonderfully on the provincial level, why could we not do the same on the federal level? The province of Quebec wants to be acknowledged as an integral part of confederation. French Canadians want to feel at home from Halifax to Vancouver. But to achieve this, we would have to be welcomed in other provinces, and be able to find there advertisements and directions written in French in public places. But alas, outside Quebec, French no longer exists.

I urge Canadians of all racial origins to visit the province of Quebec so that we can show them fine Quebec hospitality and to what extent we are bilingual.

Mr. Speaker, one cannot expect the problem of biculturalism and bilingualism to be settled in a few months, but if all Canadians do their share, it will disappear with time, and all Canadians will benefit from greater understanding and love of each other.

(Text):

Mr. Lloyd R. Crouse (Queens-Lunenburg): Mr. Speaker, my first words must be words of congratulation to you upon your elevation to your high office. It is a position that I know you will fill with dignity and with fairness to members in all parts of this house. I extend congratulations also to the hon. member for Stormont (Mr. Lamoureux) upon his appointment to the post of Deputy Speaker, and to my fellow maritimer in his capacity as deputy chairman of committees. I should like to extend my congratulations to the hon. member for Northumberland (Miss Jewett) and the hon. member for Lotbiniere (Mr. Choquette) for the capable manner in which they discharged their duties in moving and seconding the address. To the Prime Minister (Mr. Pearson) and his colleagues in office, I extend congratulations. They have inherited a house and a country left in good order.

This is indicated by a report in the Halifax *Chronicle-Herald* under date of April 19, which reads as follows:

> Canada's economy registered an 8 per cent gain last year in the value of its total production. The gross national product, the value of all goods and services produced, rose to $40,401 million from the revised 1961 figure of $37,421 million. In volume terms output rose 6.2 per cent. It was the largest economic advance since 1956.

In April of the past year our foreign reserves of gold in U.S. dollars had risen to $2,671,400,000. A reserve of this magnitude is no mean inheritance for our new finance minister. This situation was brought about by the sound policies adopted by the former Conservative administration.

In the field of trade, Canada had reached an all-time high in 1962. Our merchandise trade surplus amounted to $80 million following upon a surplus of $124 million in 1961. These are the only two years of surplus in the last decade and they reflect the substantial improvement which has taken place in Canada's trade position since 1956 when our merchandise trade deficit was in excess of $700 million. The financial newspapers of this country indicate that in 1962 manufacturing, construction and outlays for new machinery and equipment jumped by 8 per cent. Canadians were producing more, were selling more, were earning more and saving more than ever before in our history.

Now, during the recent election campaign we heard from the present Prime Minister during a visit to Milford, Nova Scotia, that we in the Atlantic provinces have been left far behind in terms of the national economy. He asked for support so that he could get the economy going again and restore confidence. Well, Mr. Speaker, his assertion must have been based on the assumption that the economy had stopped. When you say you want to get something going again, it must have stopped. If the present administration can get the economy going to the extent there is an increase of more than 8 per cent in the gross national product in a single year, all of Canada will be grateful to them and we will not judge them too harshly on their performance with regard to the first 60 days of decision, in office.

The speech from the throne is a fascinating document not only for the policies it contains but also for those which it neglects to mention. When speaking in Milford, the present Prime Minister said, with reference to unemployment, that 250,000 new jobs must be provided in each of the four years a government should last. He said there was also a problem in relation to those unemployed by automation and the Liberal plan called for supplementary retraining benefits to assist the long term unemployed. Where are these benefits listed in the throne speech? He also called for a revival of the West Indian trade and a policy calculated to make the Atlantic provinces full partners in confederation. In so far as West Indian trade is concerned he said:

> —the Liberals wanted to get that going again. This may require special Canadian aid to the West Indies, especially since the current $10 million aid program expires on March 31.

The Conservative administration, Mr. Speaker, provided aid to the West Indies and early in January 1963 the first fruit shipment from Jamaica in 25 years arrived in Halifax for distribution to the maritime provinces. According to the Halifax *Chronicle-Herald,* this was a shipment of 13,000 cases of citrus fruit valued at $100,000. We are selling to Jamaica seed and table potatoes, Nova Scotia apples, eggs and balsam Christmas trees. However, I see no mention in the throne speech that will further assist in promoting and extending this new trading pattern.

We in Nova Scotia well remember the economic benefits that accrued to our province when trade between the maritimes and the West Indies was flourishing, and we would urge the present administration to carry out its promise, and do everything possible to expand the West Indies trade in keeping with a start already made by the Conservative administration. Our agricultural economies complement one another and industries can be developed in our coastal provinces using Canadian skills and Canadian materials to service the Caribbean market.

During the election campaign the Prime Minister outlined a plan to award 10,000 annual scholarships of $1,000 each to send needy students to university, and on tax sharing he called for the restoration of the principle of equalization payments to ensure poorer provinces would get per capita revenues from personal and corporation taxes equal to the income of the richer ones. What happened to these promises, listed as items we cannot afford not to do? There is no mention of these in the throne speech.

Perhaps these will be done later, along with the other unfilled promises, to provide legislation to establish national marketing boards for farmers, payment of family allowances for children past the age 16 if they remain in school, a special committee to study the problem of railway branch line abandonments, amendments to the federal labour code to provide a $1.25 hourly minimum wage, 40 hour work week, a distinctive national flag, free milk for school children, improved livestock grading, and continued freight assistance for the movement of feed grains to

our eastern farmers. What happened to those promises, Mr. Speaker? They are not listed in the throne speech.

During the election campaign we heard many promises. But the Canadian people have become accustomed to action under the Conservative government and they will expect performance, not platitudes from the Liberal administration.

There is one chapter in the throne speech that has a special appeal to me, and I quote:

> It is only with courage and perseverance and hard work that we will achieve the better life that is within our power, for ourselves and for our children.
>
> Our progress is the work of all the people. In a free country we are all responsible.

This is the basic ideal of the truly free enterprise spirit that made Canada great, and for which my constituency of Queens-Lunenburg is well known. The people of my riding are strongly independent, believing in the capitalistic free enterprise system. Predominantly farmers, lumbermen and fishermen they make their living from primary industries and they must work long hours to provide for their families. A visit to the riding will show the fruits of their efforts, for Queens-Lunenburg is one of the prosperous beauty spots in Nova Scotia.

It is interesting to talk to these people. In their view there has been too much emphasis placed upon the importance of the government, at all levels. As a result governments have grown in size, and the expenditures of all levels of government and the taxation which they necessitate, are at levels which tend to put brakes on our economy. Government featherbedding adds to costs, and increases the inclination to import from other countries, thus contributing to our international balance of payments problem.

In the opinion of my constituents, taxation, especially direct taxation, has the effect of choking off business recovery and stifling expansion. This is understandable when we realize expenditure by our governments represent about 33 per cent of the gross national product of this country. In the United States government expenditures represent about 29 per cent of the gross national product, and Canada today is in the unhappy position of offering less reward for enterprise and initiative than our friendly neighbour to the south. It should be the other way around when we consider some of the handicaps under which we operate.

Competition for the tax dollar between the federal government on the one hand, and the provinces and municipalities on the other, gives rise to more acute difficulties than are found elsewhere. Expenditures of the provinces and municipalities are now estimated to represent 16 per cent of the gross national product, compared with only 9 per cent ten years ago. The present figure is close to the requirements of the federal government. Provinces and municipalities are constantly under pressure to increase their spending and many proposals are prefaced with the statement "Canada is rich enough to afford these improvements." There is apparently no feeling of responsibility for the national interest, which is regarded as the concern of the federal government. It was this scramble for taxes by the three levels of government which was one of the reasons for the appointment of the Rowell-Sirois commission 26 years ago.

With some provinces now asking for an even greater share of federal revenues, I would urge the government to give careful consideration to our present taxation problem. Some method must be found whereby individuals and corporations can retain a greater share of their earnings for investment in Canadian companies, for it is only through the expansion of our secondary industries under private enterprise that we can overcome some of our unemployment problems.

The government's stated intention to establish a department of industry to work with provincial governments and provide a special thrust for industrial development in areas of chronic unemployment, is a good move. However, I would like to ask the government if this has to be discussed and approved by provincial authorities? There will be some overlapping with provincial departments, but no doubt this can be worked out. However, I believe the taxation problem should first be examined, so that individual Canadians can more fully participate in their country's development.

I note with interest the government's intention to bring in amendments to the Atlantic development board, and its plan to make $100 million available to initiate projects and help lift up the economy of the region. This of course will be welcome news to all those living in the Atlantic provinces, for Canadians generally cannot expect our region to remain economically depressed forever. We deserve equality of opportunity because of our historic past and our contribution to Canada as a nation. However, it is evident the present Minister of Finance (Mr. Gordon) had nothing to do with this legislation because in his royal commission on economic prospects, as recorded at page 99 of his report, he stated he did not believe in ad hoc projects and handouts.

Mr. Pickersgill: I wonder if the hon. gentleman would permit a question?

Mr. Crouse: If I may have a little extension of time I will be glad to do so.

Mr. Pickersgill: I was going to ask the hon. gentleman if he would read a little further on in that report and he would find the blueprint of the Atlantic provinces development board?

Mr. Crouse: I have read the entire report. It is not too encouraging. It is interesting to note that it took a Conservative government to lead the way in a much more generous manner than the present administration, in keeping with the Atlantic resolutions made by the Conservative candidates at that famous conference in Moncton in the spring of 1957. The Conservative government, on Saturday, January 25, 1958, in keeping with those resolutions announced special adjustment grants for the Atlantic provinces of nearly $100 million to be paid over a four year period. At the expiration of this time the grants were increased to $175 million to be paid over the next five years and, Mr. Speaker, there were no strings attached. The provincial premiers and their ministers were free to spend this money wherever they thought it would do the most good.

These grants could well be considered the forerunner to the Atlantic development board for they enabled the provincial governments in the Atlantic provinces to establish industrial estates, to expand their fishermen's loan boards, and promote much needed industry for the benefit of our citizens. According to the resolution, this act will die on January 24, 1969. However, from now until that date, we will have $100 million to be divided by 11 nominated men, throughout the four Atlantic provinces. This boils down to $20 million a year for each of the five years, and the question arises regarding the method to be used for the division of this money.

I wonder, Mr. Speaker, may I complete my speech or should I leave that until Monday?

The Acting Speaker (Mr. Batten): Has the hon. member unanimous consent to continue?

Mr. Pickersgill: I would like very much to agree, but a great many of us have rather pressing engagements, and if the hon. gentleman would not mind calling it six o'clock it would facilitate us.

Mr. Crouse: Thank you, Mr. Speaker. I will call it six o'clock.

Business of the House

BUSINESS OF THE HOUSE

Mr. Churchill: I wonder if the house leader could give us a forecast of the business for next week.

Mr. Pickersgill: I would be very happy indeed to do that. We know of course that this debate can go on until the close of the sitting on Wednesday, when under the rules it would come to an end. I may say it would be gratifying to the government and would, I think, be in accord with what has been said by many hon. gentlemen on the other side of the house about the desirability of getting on with the business of the country, if there were any possibility of ending the debate a little earlier than that. I am not seeking to suggest that any of the freedom of speech of any hon. member be abridged in any way, but there will be many other opportunities for debate, and the government will be glad to try to bring on a supply motion as early as possible. But if that cannot be done, the government's business will start on Thursday. If it is done earlier, the program I am about to suggest can start that much earlier.

It is the intention of the government to ask the house to consider the motion in the Prime Minister's name for setting up a defence committee, as the first item of business as soon as this debate is ended, whenever it is concluded and, in any event, if it has not been concluded before then, on Thursday. If that does not take the whole time on Thursday we shall go on with the resolution stage of the economic council measure. I imagine those two items will take all of the time. But should there be any further time we would like to go on with the measure dealing with the department of industry and the amendments to the Department of Agriculture Act.

In any event, since we are rapidly approaching the end of May it is the intention of the Minister of Finance to ask on Friday, May 31st, for interim supply. The government would like to ask the house to provide interim supply for the months of June and July. We would then come back some time in July to ask for further interim supply because I do not seriously anticipate that all the estimates will have been passed in time to enable us to do without a second stage of interim supply.

I think that will take all of next week, but if it does not there are some other government items on the order paper and we will be glad to give as much notice as possible of the order in which they would be taken.

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

HOUSE OF COMMONS

Monday, May 27, 1963

The house met at 11 a.m.

(Translation):

PRIVILEGE

MR. PIGEON—ALLEGED ALTERATION IN TEXT OF "HANSARD"

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): I rise on a question of privilege, Mr. Speaker. The hon. member from Îles-de-la-Madeleine (Mr. Sauve) on May 22 made a speech in this house and later deleted an important part of it.

And to prove what I have just said, I refer to the Ottawa *Citizen* of May 25, 1963, and I quote:

(Text):

But he also spoke of the "last chance," and at the height of his oratory threw in a statement, following a list of Quebec complaints, that when "the bombs explode in Montreal, the people are astonished in Ottawa". (He later had that passage struck from the *Hansard* record, saying it was absolutely contrary to his meaning to indicate that he thought there was a cause and effect relationship).

(Translation):

Mr. Speaker, contrary to the rules of this house, the hon. member for Îles-de-la-Madeleine removed from his speech a passage which was quoted in the Ottawa *Citizen*.

In accordance with the rules of this house, the hon. member and yourself have to decide whether or not it would be advisable to have that passage included in the official report.

(Text):

Hon. J. W. Pickersgill (Secretary of State): In the absence of the hon. member for Îles-de-la-Madeleine I wonder if I might say a word about the alleged question of privilege brought up by the hon. member for the hon. member for Joliette-l'Assomption-Montcalm. The hon. member has made a somewhat serious charge against the hon. member for Îles-de-la-Madeleine and he has made it, not immediately after the *Hansard* appeared, but after the lapse of some time. It seems to me the appropriate course to take in the circumstances would be for Your Honour to take the point as notice and to defer dealing with it until the hon. member for Îles-de-la-Madeleine is here to speak for himself.

Mr. Pigeon: The hon. member for Îles-de-la-Madeleine is not here. It is not our fault on this side. If it is possible I should appreciate having your comment on this question, Mr. Speaker.

Mr. Speaker: My comment is very simple. I am taken slightly by surprise, as are others this morning, and I would like to compare the original text with the printed version before rendering any decision. One must obviously get the facts before rendering a decision. So I think the point made by the Secretary of State is well taken, and I would ask the permission of the house to delay any judgment on this matter until we have had a chance to find out what the facts really are.

THE MINISTRY

REPORTED ACTIVITIES OF MINISTER OF AGRICULTURE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Prime Minister. The Minister of Agriculture is absent, and it may be that the Prime Minister will want to wait until his return before replying. Does the Prime Minister consider it appropriate for a minister of the crown in charge of the portfolio of agriculture to be engaged in the auctioning of cattle at an auction sale, and is not such a course in his view not in keeping, as I believe it is not, with the proprieties that one expects?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I received no notice of this question, and the Minister of Agriculture is not here. I will discuss the matter with the minister and on the basis of the facts I will be glad to reply tomorrow or the next day.

EXTERNAL AFFAIRS

NATO—REPORTED EARLY ISSUE OF FINAL COMMUNIQUE

On the orders of the day:

Mr. P. V. Noble (Grey North): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Is the minister aware that a final communique in respect of accomplishments at the recent NATO meeting was issued well in advance of the holding of the conference?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the hon. gentleman is not correct in the statement he has made. The communique that was issued at the end of the ministerial meeting on Friday last was not the communique that was

originally proposed by certain member states at that ministerial meeting. The final communique represents a drafting effort that was made during the course of the meeting, and in very large measure it represents many of the suggestions made by the Canadian delegation.

NATO—REQUEST FOR REPORT ON OTTAWA CONFERENCE

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I would like to address a question to the Secretary of State for External Affairs. On Thursday last, May 23, I directed a question to the Prime Minister relative to newspaper reports of Canadian commitments to NATO. The Prime Minister replied in part as follows, an found at page 171 of *Hansard* of that date:

The Secretary of State for External Affairs will be reporting to the house on this matter on Monday, when the council meeting is over.

May I ask the Secretary of State for External Affairs, is that report going to be made, as promised by the Prime Minister last week?

Hon. Paul Martin (Secretary of State for External Affairs): Yes, Mr. Speaker, that commitment too will be observed when I speak in the debate this afternoon.

REPORTED ACTIVITIES OF GERMAN INDUSTRIAL GROUP

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Secretary of State for External Affairs. In view of reports in various United States newspapers last year and recently and in other periodicals that an organization of German industrialists is financing a world wide publicity campaign to promote the hard line in the cold war, and in view of the fact that the United States state department, justice department and senate foreign relations committee are now seeking information about the organization and purpose of this group, has the minister any knowledge concerning the activities of this organization and, if so, has he any information he can give the house?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, until the hon. gentleman sent me notice of his question just before we met this morning I was not aware of the problem. I am not aware that any information has come to the department. However, I shall make the necessary inquiries.

[Mr. Martin (Essex East).]

(Translation):

DOMINION-PROVINCIAL RELATIONS

QUEBEC—ULTIMATUM RESPECTING TAX SHARING ARRANGEMENTS

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to put a question to the Minister of Justice, to whom I sent a few days ago a copy of the Quebec premier's ultimatum respecting a new tax sharing arrangement. Could the Minister of Justice tell the house whether he has studied this ultimatum and whether he feels it is important enough to make it known to other cabinet members?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, I duly received the press releases the hon. member sent me. I even heard the Quebec premier, Mr. Lesage, on television, when he stated that he considered as an ultimatum the claims or proposals of the province of Quebec.

In the circumstances, I feel there is only one stand to take, that is, both in our discussions and during a federal-provincial conference on fiscal matters, the proposals of the province of Quebec will have to be considered as such.

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): A supplementary question, Mr. Speaker. Since the Quebec premier has delivered his ultimatum, does the Minister of Justice not feel that it would be a waste of time to convene a conference on the matter?

Mr. Chevrier: Mr. Speaker, I have nothing more to add to the answer I just gave.

(Text):

BRITISH COLUMBIA—MEETING TO DISCUSS OFFSHORE RIGHTS

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): I should like to direct a question to the Minister of Northern Affairs and National Resources. Has the minister received a request from the British Columbia minister of mines for an early meeting to discuss the continental shelf or offshore rights in British Columbia, and if so what arrangements are contemplated in order to prevent this most important matter having to be referred to the supreme court for decision, as originally intended by the British Columbia government?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): I should like to thank the hon. member for having given me prior notice of his question.

It had been indicated by the attorney general of British Columbia that he was preparing a case for submission to the appeal court of British Columbia under, I think, the constitutional disputes determination act, a measure on the statute books of that province. Later he indicated that that intention was withdrawn. We did receive a letter from Hon. Mr. Kiernan, minister of mines, asking that a meeting be held in Ottawa to discuss this matter with him. He indicated a time after June 15, and we will, of course, make suitable arrangements.

UNITED NATIONS

REPORT ON WORK OF SPECIAL SESSION

On the orders of the day:

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I should like to deal with questions asked me by the hon. member for Queens and the hon. member for Medicine Hat last week concerning the financial situation of the United Nations, and particularly arising out of the problem of the major peace keeping operations of the organization.

These problems have recently been the subject of intensive review by a working group of 21 member states, including Canada. This group was unable, regrettably, to devise an agreed formula for long term financing. Its report suggested elements for an approach which could be adapted to meet the immediate problem of financing these peace keeping operations for the remainder of 1963.

Although other questions such as the payment of arrears and the improvement of budgetary procedures will be considered, the main task of the special assembly of the United Nations is to work out an acceptable method for sharing peace keeping costs on a basis of collective responsibility and a recognition that the less developed countries should be afforded some reduction in their assessments under the regular budgetary scale.

Negotiations to this end are now being vigorously pursued at the United Nations. The Canadian delegation is actually today meeting under its chairmanship with a group of member states to see if some particular formula cannot be devised. The situation is a serious one. The integrity of the United Nations is involved, and Canada is not leaving any effort unexpended in this matter.

Inquiries of the Ministry

HEALTH AND WELFARE

INQUIRY AS TO GRANTS TO CITIES FOR HEALTH PROGRAM STUDIES

On the orders of the day:

Mr. Lloyd R. Crouse (Queens-Lunenburg): Mr. Speaker, I have a question for the Minister of National Health and Welfare. In view of the announcement in the Halifax *Chronicle-Herald* of Saturday, May 25 that a federal government grant of $27,000 has been approved for a study of the administration and health program of the city of Halifax, would the minister tell the house whether grants on a pro rata basis will be made to Lunenburg, Bridgewater and Liverpool, Nova Scotia, and whether similar grants will be made to all the cities in Canada?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): I would be pleased if the hon. member would place this question upon the order paper, since it requires detailed information which I am sure would not be of equal interest to all hon. members of the house.

POSSIBLE CHANGES IN REGULATIONS RESPECTING USE OF PESTICIDES

On the orders of the day:

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare. Is the department considering possible changes in the regulations dealing with the use of pesticides in the light of the report made to President Kennedy by his scientific advisory committee, following which the U.S. government stopped the use of DDT sprays in the forests of the western United States and substituted another pesticide?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, may I thank the hon. member for giving me notice last week of this question. I would advise him that the regulations regarding the distribution and use of pesticides are the responsibility of my colleague in the Department of Agriculture which administers the Pest Control Products Act.

As far as my department is concerned, we have regulations under the Food and Drugs Act which are considered adequate and satisfactory at the present time. However, I assure the hon. member and the house that these regulations may be changed quickly and effectively should evidence that such a change is necessary come to light.

Inquiries of the Ministry

NATIONAL DEFENCE

NUCLEAR WARHEADS—REPORTED ARRANGEMENT FOR FALL DELIVERY

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): I should like to direct a question to the right hon. Prime Minister. I noticed a headline in this morning's *Gazette* which read, "Bomarc's Nuclear Warheads Due in Fall". Is that decision going to be made by this government without any further consultation in parliament?

Right Hon. L. B. Pearson (Prime Minister): That question does not deserve any reply because there has been consultation and there will be consultation on this matter in the defence committee which we propose to set up at once.

Mr. Woolliams: I should like to follow that up with a supplementary question. In the same newspaper there is a statement reported to have been made by the president of the exchequer court to the effect that the present government does not have a mandate from the people to accept nuclear weapons. I was wondering if the Prime Minister would care to comment on that statement, particularly in the light of the fact that the president of this court was a friend of this government.

REQUEST FOR ASSISTANCE TO TRAIN CONGOLESE ARMY

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I would like to address a question to the Minister of National Defence, to ask him whether Canada has been approached to supply military training assistance to the Congolese army, and what response the Congolese government can expect from this request.

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, the Canadian government has received a request from the Congolese government, and the question is presently under study by the departments of external affairs and national defence.

CANADIAN REPRESENTATION ON LIAISON GROUP AT AIR COMMAND HEADQUARTERS

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I should like to address a question to the Minister of National Defence. In view of the suggestion made by Secretary McNamara of the United States respecting a nine man representation to be attached to the strategic air defence target planning force, are any Canadians to be representatives on this group?

[Miss LaMarsh.]

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, if the hon. gentleman is referring to the liaison group of the supreme allied commander in Europe assigned to the strategic air command headquarters at Omaha, Nebraska, the question of future representation has not yet been determined.

PIPE LINES

REPORTED INTENTION OF TRANS-CANADA TO PURCHASE NORTHERN ONTARIO SECTION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Prime Minister. In view of the announcement in the report of the Northern Ontario Pipe Line Crown Corporation to the Minister of Trade and Commerce that Trans-Canada Pipe Lines Limited is seeking to purchase the northern Ontario section of this pipe line this year, is the government considering the renegotiation of the contract with Trans-Canada Pipe Lines Limited so that the ownership of this pipe line can be retained by the people of Canada, who paid for it in the first place?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the Minister of Trade and Commerce is not in the house, as he is in Washington on official business. I would like to take that question as notice, and either he or I will reply to it shortly.

TRADE

LUMBER—INCREASED EXPORTS DUE TO DOLLAR REVALUATION

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I would like to direct a question to the Minister of Finance. Has his attention been drawn to a Canadian Press report out of Vancouver on Saturday in which his colleague, the Minister of Forestry, is reported to have indicated to a press conference that there has been a greater export volume and greater profits for Canada's multimillion dollar forest industry in the last 15 months, mainly because of this country's pegged dollar? If so, does this now represent government policy?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I welcome a chance to reply to that question. I have not seen the report in the Vancouver newspapers, but the hon. member may know that I was perhaps one of the first people to suggest publicly that the dollar should be reduced in value

back in early 1960 when it was at a high premium. I think it would have been a good thing to have done at that time.

Mr. Lambert: As a supplementary question, I wonder has the Minister of Finance convinced his colleagues of this wisdom?

(Translation):

PENITENTIARIES

REQUESTS FOR INFORMATION ON NEW CONSTRUCTION

On the orders of the day:

Hon. Theogene Ricard (St. Hyacinthe-Bagot): Mr. Speaker, I should like to direct a question to the Minister of Justice. On September 18, 1961, his predecessor, Mr. Davie Fulton announced the erection of a medium security penal institution at St. Pie de Bagot. Can the minister tell the house when the work will start?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, if I remember correctly, several medium and super maximum security institutions are to be built in various parts of Canada. Unfortunately, I do not have all the information in my possession at this time; so I suggest to the hon. member to put his question on the order paper, and then it can be answered.

(Text):

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I have a question for the Minister of Justice. I regret that I have not given him notice, but I am sure he will be able to answer it in detail.

Following a report in the *Globe and Mail* of this morning it would seem that the location of a new federal penitentiary site in Ontario has not been decided. My question is, does the minister know that an announcement was made on May 17, 1962 to the effect that an institution would be built in the Markdale-Dundalk area of Grey-Bruce constituency, and that public moneys have been spent accordingly?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, I do know that, in so far as the question raised by the hon. member is concerned, there has been no selection of a site. However, having answered my hon. friend from St. Hyacinthe-Bagot (Mr. Ricard) in the manner in which I did, I think it would be unfair if I did otherwise than say to the hon. member that because of the fact that a number of these institutions are being constructed in Canada I have not details at my fingertips, and the question might well be put on the order paper.

Mr. Eldon M. Woolliams (Bow River): I have a supplementary question, Mr. Speaker, and it may have to go on the order paper, as the Minister of Justice mentioned. The *Globe and Mail* report says, "Canada to build four penitentiaries this year". I was wondering whether one of those was the institution planned for Drumheller, Alberta.

Mr. Chevrier: Mr. Speaker, my recollection is that the plans for the construction of the institution in Drumheller did not require it to be built this year.

LABOUR CONDITIONS

SUDBURY, ONT.—REPORTED MOVEMENT OF UNEMPLOYED TO THOMPSON, MAN.

On the orders of the day:

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Minister of Labour, but in his absence perhaps I may address it to the acting minister. My question arises from a report that unemployed married men with families are being required to move from Sudbury, Ontario, to Thompson, Manitoba, or lose their unemployment insurance. What action is the government taking in this situation?

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, I would be glad to take that question as notice and ask the minister to reply, or have a reply made on his behalf at the earliest possible moment.

(Translation):

POST OFFICE DEPARTMENT

SUGGESTED CLOSING OF OFFICES ON SATURDAYS

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Postmaster General. Does he intend to amend the Post Office Act, if need be, so that post offices may close on Saturday, as several institutions, especially banks, are doing now?

Hon. Azellus Denis (Postmaster General): Mr. Speaker, in view of the fact that this question deals with a matter of government policy, a statement to that effect will be made in the house in due course.

Inquiries of the Ministry

(Text):

SUGAR

REQUEST FOR STATEMENT ON INQUIRY INTO PRICE INCREASES

On the orders of the day:

Mr. J. E. Pascoe (Moose Jaw-Lake Centre): Mr. Speaker, I should like to direct a question to the Minister of Agriculture, but apparently he is away busily auctioning cattle so perhaps it can be answered by his parliamentary secretary. It concerns the increases in sugar prices, but it is a little different from earlier questions on the same subject.

The sugar price increases have affected the price of molasses, which is used in preparing feed concentrates, thus increasing the cost of livestock feeding. Has the minister taken this question into consideration, and is he making any recommendation to the government for a possible control on sugar prices as advocated in a Winnipeg newspaper?

Mr. H. W. Herridge (Kootenay West): A supplementary question, Mr. Speaker. In view of the great concern about the increase in the price of sugar and similar commodities, and in view of conflicting reports in the papers some attributing it to speculation and others to a shortage of supplies, would the minister get all the information possible on this situation and make a full report to the house so that it will satisfy the Canadian people?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, as the hon. gentleman knows I did make a lengthy, fairly general statement on Thursday, and I indicated to the house that the matter was under surveillance by the director of research and investigation of the combines investigation branch. I shall take further notice of my hon. friend's question and make sure that the study with reference to this important matter is kept alive.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): If I may ask a supplementary question in this connection, Mr. Speaker, I have secured the statistics as to the amount of sugar in storage in Canada, and I find that as of March 31 there were 470 million pounds. Does not the minister feel that in view of the tremendous increase in price that has taken place since March 31 more than just a general view of the matter should be taken by him, in view of the unconscionable profit being made and the unfairness to Canadian consumers?

Mr. Chevrier: Mr. Speaker, as I am sure the right hon. gentleman knows, the matter is determined by statute, and I think the statute is quite clear as to the responsibilities of the director of research and investigation. I shall be glad, of course, to bring this additional information to his attention at once. But from the statement which I made on Thursday last there would certainly appear to have been no profiteering from the point of view of the refiners of sugar.

Some hon. Members: Oh, oh.

Mr. Chevrier: I simply add this, that I will ask the director to look at the matter anew in the light of the information given to the house by the right hon. gentleman.

PUBLIC SERVICE

EXTENSION OF SALARY INCREASES TO RECENTLY RETIRED CIVIL SERVANTS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Minister of Finance. Has the government yet found a way to provide retroactive pay increases to those former civil servants who retired after the date the pay increases were made effective but before they were actually announced?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, this is a question which is under consideration and I hope to have something to say about it shortly. As the hon. gentleman knows, this matter comes under a statute and is provided for in the statute. The members of my department are giving consideration to this question, and that is all I can say at this time.

INQUIRY AS TO POSSIBLE AMENDMENT OF CIVIL SERVICE ACT

On the orders of the day:

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I should like to direct a question to the Secretary of State. In view of the number of ex-senior civil servants currently sitting on the government treasury benches, I should like to ask the Secretary of State whether he foresees any future changes in the Civil Service Act or regulations.

Hon. J. W. Pickersgill (Secretary of State): I can see, sir, no connection whatsoever between the preamble and the question.

Mr. Diefenbaker: And there is no connection between the answer and the question.

NORTHERN AFFAIRS

CONTINUATION OF ROADS TO RESOURCES PROGRAM

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for the minister

of northern affairs. Is the minister considering discussions with his counterparts in the provinces with a view to continuing and extending the present roads to resources program, which has proved so successful in the development of the north?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, in reply to the hon. member I would say that a continuing number of applications are coming in from the various provinces. We are in effect extending the programs individually. The hon. member suggests that conference with a provincial group might well be of advantage, and I think I would agree with him; but we are receiving various submissions from the provinces and are giving them every consideration.

Mr. Korchinski: A supplementary question. Are these submissions being dealt with individually, or is consideration being given to a group meeting?

Mr. Laing: At the present time they are being dealt with individually by provinces. The hon. member is suggesting that a nation wide discussion be held, and I think his suggestion has much merit to it.

(Translation):

ARTS, LETTERS AND SCIENCES

INQUIRY AS TO APPOINTMENTS TO COMMISSION ON BICULTURALISM

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I wish to ask the Prime Minister a question about the royal commission on biculturalism. Does he intend to appoint to that commission Messrs. Andre Laurendeau and Gerard Pelletier, journalists?

(Text):

Right Hon. L. B. Pearson (Prime Minister): Of course, Mr. Speaker, it is improper to ask the government who will be appointed to a particular commission. The commission has not yet been set up but will be set up very shortly.

ROYAL CANADIAN AIR FORCE

REPORTED PREMATURE SHIPMENT OF CF-104 PLANES TO EUROPE

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I desire to direct a question to the Minister of National Defence, of which I gave him notice last week, but due to the fact that he was attending the NATO conference I did not put the question. Has the attention of the minister been drawn to the Canadian Press article appearing in the Ottawa *Citizen* of May 21 to the effect that the Royal Canadian Air Force shipped the first CF-104 low level jet bombers to Europe before they were combat-ready in an attempt to force the former prime minister's hand on the nuclear warheads issue? Can the minister inform the house whether this statement is accurate, and whether it is true that the planes required some 40 modifications on their arrival in West Germany?

Mr. Speaker: Might I interrupt to suggest that this is a question for the order paper.

Mr. Douglas: Mr. Speaker, on a point of order, may I suggest that the last part of the question as to whether or not 40 modifications were required may be a matter for the order paper, but the question whether the statement is accurate that these planes were shipped to Canadian forces in Germany before they were combat-ready seems to be a matter of fairly urgent importance.

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, I should like first of all to thank the hon. member for giving me notice of his intention to ask this question. In reply I can tell him that I saw the article referred to in the Ottawa *Citizen*, and there is no truth in the allegation contained in the first part of the question. The aircraft were delivered in accordance with predetermined squadron formation dates, and at no time were any instructions received by the air force to postpone delivery. In this connection I should like to draw attention to a question asked of the former minister of national defence, the hon. member for Calgary North, on September 15, 1961, as to when the first squadrons of CF-104's would be posted overseas. The answer given at that time was "in November 1962".

As to the second part of the question, the agreed schedule of delivery called for the first squadrons to be sent overseas with some modifications still to be done. These have been carried out by R.C.A.F. personnel in Zweibrücken assisted by a mobile repair party from Scottish Aviation Limited. As was pointed out to the writer of the article some time ago, the modifications were not of such a nature as to preclude essential squadron flying training in preparation for the full operational role. I might add that there is nothing unusual about aircraft requiring modifications after their acceptance from a contractor.

Inquiries of the Ministry

INDUSTRY

TRENTON, N.S.—REQUEST FOR ORDER FOR RAILWAY CARS

On the orders of the day:

Mr. H. Russell MacEwan (Pictou): Mr. Speaker, is the Minister of Transport yet able to answer the question I directed to him on Wednesday last?

Hon. G. J. McIlraith (Minister of Transport): Yes, Mr. Speaker. I had hoped to answer this question last Friday, but at the conclusion of the question hour events moved rather rapidly and I did not want to interrupt.

I have been in touch with Canadian National Railways, and the management advise that tenders, which were called for 100 covered hopper cars and on which this company bid, are now under consideration. The management add that they have no immediate requirements for additional car equipment, but if and when further tenders are invited the Eastern Car plant will be given an opportunity to bid along with other manufacturers.

AIR TRANSPORT

ALLEGED REFUSAL OF LICENCE TO B.C. AIRLINES

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, last week I directed a question to the Minister of Transport and he promised to bring down an answer. The question was whether the air transport board had refused a licence to British Columbia Airlines to fly a charter flight from Vancouver to Sullivan Bay in order to take loggers to an operation because of the strike of Pacific Western Airlines employees.

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, the first part of the question is correct but the second part of the question is very wrong. The facts are these: The air transport board advise that British Columbia Airlines is licensed by the board to operate a charter service from a base at Vancouver. The board denied an application by British Columbia Airlines to operate charter flights between Vancouver and Sullivan Bay because the operation was considered to circumvent a long standing regulation of the board affording route protection to air carriers who operate scheduled air services. The scheduled carrier in this case was Pacific Western Airlines.

Mr. Douglas: May I ask the minister whether this decision has not in effect banned the international woodworkers from being able to fly their members to Sullivan Bay without crossing the picket line set up by the employees of the Pacific Western Airlines. Was not the decision of the air transport board helping, in effect, to break a strike?

Mr. McIlraith: No, Mr. Speaker.

HOUSE OF COMMONS

OPERATION OF CAFETERIA IN CENTRE BLOCK

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I wish to address a question to the Secretary of State in his capacity as leader of the house. This is not a matter of national urgency, but it is one which affects every member of this house as of today, and believing that a problem should be removed before it becomes an irritant I should like to ask the hon. gentleman whether, in view of the fact that the joint Senate-House of Commons restaurant committee has not yet been appointed, he could find out who issued the regulations which went into effect today regarding the cafeteria in the centre block. I ask him to do this because under the new system, if you want a glass of milk you can get it, but if you want a milkshake you must go to the restaurant in the west block. If you want a sandwich, you may get one between the hours of 12 noon and 2 p.m. but not between 6 p.m. and 8 p.m., the period during which the house takes its recess, or at any other time. I think I am right in calling attention now to this situation which has arisen because of some stupid regulations which were put into effect, and I ask the leader of the house to look into the matter.

Hon. J. W. Pickersgill (Secretary of State): The hon. lady, my colleague the Minister of National Health and Welfare, is one of the commissioners of internal economy, and I am going to ask her to look into this matter.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Friday, May 24, consideration of the motion of Miss Pauline Jewett for an address to His Excellency the Governor General in reply to the speech from the throne delivered by His Excellency the Administrator at the opening of the session.

Mr. Lloyd R. Crouse (Queens-Lunenburg): My speech was not intended to be a cliff-hanger or to be delivered in serial form, but in view of the limitation of time on Friday I was obliged to interrupt it. Now I am pleased to deliver part two.

When the house rose on Friday I was speaking about the Atlantic development

board and the government's intention, according to the resolution, to make available $100 million to be divided throughout the four Atlantic provinces by 11 nominated men. This amounts to $20 million a year for 1964, 1965, 1966, 1967 and 1968, and a question arises regarding the method to be used for the division of this money. What projects will receive priority? Will political considerations supersede economic need? After all, two of the Atlantic provinces have Liberal premiers and two are blessed with Conservative leadership; and the board, with its six additions, will be top heavy with Grits. I sincerely hope the board will give consideration to those projects which will be of benefit to the entire region. We have to do something with this money, little though it may be in relation to the large area to be serviced.

In my opinion the first item for consideration could be the distribution to our universities of some of these development funds. Serving as I do on the board of Waterloo Lutheran University, I am aware of the tremendous growth taking place in this institution in Ontario. Our maritime universities are faced with a similar need for expansion. For example, it is estimated that enrolment at Dalhousie, St. Francis Xavier and Acadia will be doubled within the next ten years. Funds must be found in order to provide the necessary facilities and professors.

We in the Atlantic provinces, and in Nova Scotia in particular, have laboured under a serious disability in connection with the federal university grants program. Because of our high student enrolment in relation to our provincial population, we have received grants well below the national average. In fact Nova Scotia stands at the bottom of the list, receiving $214 per student last year compared with $495 in Newfoundland and $360 in Ontario. In an age when men are planning a trip to the moon, we have a duty to provide necessary university facilities for our professional, business and political leaders of tomorrow.

A second project I would suggest to the Atlantic development board for consideration concerns the desirability of providing assistance toward establishing an additional ferry service between Nova Scotia and Gloucester, Massachusetts. This would open up a vast potential tourist market, since some 30 million people live in the Gloucester-Boston area. The present ferry, the *Bluenose*, is unable to handle all the traffic, especially during the peak period from June 1 to September 30. Once these tourists arrive in Nova Scotia they will no doubt wish to visit other Atlantic provinces, and I need not point out the economic benefits that accrue to all our business people from an expanded tourist industry. It is quite possible they may wish to travel to Newfoundland, to the province of Prince Edward Island or to the province represented so well in this house by the former minister of forestry (Mr. Flemming), the province of New Brunswick. I would urge the government to do everything possible to bring about this worth-while project, bearing in mind that a second ferry service would also provide new outlets and a faster delivery service for our expanding fishing industry.

Speaking of the fishing industry, I note in the speech from the throne that the government is initiating consultation with the provinces to work out a program for national fishery development. Apparently members and supporters of the present government are oblivious to the fact that during the six years when they sat in opposition we brought in a shipbuilding program which is providing new opportunities for our fishermen. The Liberals, when they were previously in office, put into effect a program whereby subsidies were discontinued in respect of ships over 65 feet in length. Unlike them, we instituted a policy whereby a federal subsidy is paid on ships of any length of over 45 feet. As a result our shipyards are booming from Cape Breton to Yarmouth. In my riding the shipbuilding yards in Mahone Bay, Lunenburg and Dayspring have a year's work booked ahead, while at Liverpool, Nova Scotia, a steel ship is under construction for the first time in history, all as a result of the constructive and far reaching policies worked out and put into operation by a Conservative government. These ships are all of a size which will assure greater safety to our fishermen while assisting them to earn larger incomes. I only wish the former prime minister, the present Leader of the Opposition, could visit Nova Scotia to see the beneficial effects of his shipbuilding program. However, we welcome any program which will be of benefit to our fishing industry, and I will watch with interest the program to be put forward by the present administration.

In the speech from the throne there is a statement indicating that the government intends to establish a 12-mile limit for the benefit of Canadian fishermen. All of us from the Atlantic provinces are interested in the fishing industry in one way or another, and I have placed a resolution on the order paper asking the present government to take immediate action to conserve our marine fishery resources by declaring certain bodies of water adjacent to our coast Canadian national waters. I have suggested that the straight base line method be used to measure the breadth of territorial seas, and that recognition be given by Canada to the historic

fishing rights of France and the United States in Canadian national waters.

This is in keeping with the views I expressed in the house when speaking on the Coastal Fisheries Protection Act on January 30, 1962. A base line drawn from Grand Manan to cape Fourchu would seal off the bay of Fundy, while a base line drawn from cape Sable to Scatari island would seal off St. Margaret bay and Chedabucto bay. A line drawn from cape North to Port aux Basques, Newfoundland, would seal off the gulf of St. Lawrence, and this would then become a territorial sea wherein conservation measures could be carried out on the vast Bradelle bank and Orphan bank.

This action will not solve all our problems, but the rapid increase in world fishing effort and efficiency and the terrific concentration of foreign trawlers off our coast have focused attention on the fact that unless some safeguards are taken the marine resources that have played such a vital role in the development of the Canadian economy will be harvested by foreign fleets. However, in my opinion France and the United States should be given historic rights in Canadian national waters. France owns the islands of St. Pierre and Miquelon, and along with the United States has historic rights under the treaty of Utrecht of 1713 modified by the convention of 1904 and the treaty of London of 1818. Nations not having historic fishing rights with Canada should be denied access to our marine resources within the areas enclosed by the proposed base line.

I am concerned, however, by a statement made by the present Secretary of State (Mr. Pickersgill). Speaking during the recent election campaign at Sydney, Nova Scotia he said:

> Under a Liberal government foreign fishing ships would not be permitted within the 12-mile limit.

This is reported in the Halifax *Chronicle-Herald.*

> Mr. Pickersgill, in a quick swing through Cape Breton, said Liberals would call a federal-provincial conference on the fish business. "We are not going to beat around the bush about the 12-mile limit." He said if other nations would not go along "we will do it alone."

The present Prime Minister, also speaking at Sydney, said:

> Because an agreement of a 12-mile limit had not been reached, I think the time has now come for such unilateral action. I am sure that if Norway and Iceland can do this, so can we in a way which will not cause difficulties with our friends.

That, Mr. Speaker, is exactly what we are hoping to prevent, namely difficulties with our friends. We do not want a gunboat fisheries policy in the Atlantic provinces similar to the gunboat policy of Iceland in September, 1958. The export of Canadian fisheries products reached a record in 1962 of $156,615,000, an increase of 9 per cent over 1961. We are the third largest fish exporting nation in the world, and we rank seventh among the fish producing nations. More than 79,000 Canadians are commercial fishermen and, just for the record, the United States imports approximately 70 per cent of Canada's total fish exports. I need not point out to the house the economic havoc that the loss of this market would create in the Atlantic provinces as the result of any rash or hasty action on the part of the present administration.

According to the press, President Kennedy continues to favour the three-mile territorial and fisheries limit. If this is so, we in the Atlantic provinces want to know. We have a right to know, for our very livelihood is at stake, about the government's negotiations with the United States on a 12-mile fishing limit. I believe this 12-mile limit can only be established through international agreement and by giving American fishermen equal rights with Canadian fishermen, thereby assuring continuing friendly relations between our two countries and the continuing expansion of the market for our fishery products.

The United States fishing industry is highly organized. They have the national fisheries institute in Washington as well as an organization called the New Bedford seafood council. With the rapid expansion of our groundfish industry and our scallop industry, we must have continuing free access to the United States market if we are to avoid a serious marketing problem in the Atlantic provinces. We need to start some measures of conservation such as I have outlined, but we must also maintain our markets, and I cannot urge too strongly upon the present administration the necessity of attaining both these objectives.

(Translation):

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like first of all to take this opportunity of offering you the customary congratulations upon your appointment to the position of Speaker of this house. I should like to add another motive for these congratulations: there exists now in the house an atmosphere of freedom that we had not known for at least a year. However, I must assure you of our co-operation, for freedom of speech does not necessarily mean libertinism.

Mr. Speaker, since the last session, there was a general election and once more the people again had to choose their representatives in the house. There have been few

changes. Two political parties have changed sides in the house, but since then, I believe that their speeches, whether they sit on the right or on the left, are strangely similar. The members of the present opposition claim that everything was fine when they were in power and those who are presently in power say that they form the best government Canada has ever had, or exactly the opposite of what was taking place last year.

Mr. Speaker, the last election taught us a lesson. Money has been spent during the last campaign, and a kind of brainwashing was performed on a large scale throughout the country. But, in spite of everything, it was apparent that, during the last election, the voters did not fall as they have in the past, for these brainwashing techniques accompanied by high sounding publicity, as well as by heavy expenditures. The Quebec population had enough judgment to give more than 600,000 votes, or 30 per cent of the total in the province of Quebec to a middle party, that is to say the Social Credit party, which carried out its campaign with very little money, relying mostly on the dedication of its benevolent organizers. I believe that the province of Quebec would have sent to Ottawa a majority of Social Credit members had 10 or 12 per cent more voters supported us.

Mr. Speaker, I should like to take this opportunity to pay a well-deserved tribute to two persons who have spread wholesome ideas and done a task of political, social and economical education throughout the country. I am thinking, first of all, of our national leader, the hon. member for Red Deer (Mr. Thompson), who did not make any false promise, but who was content with putting forward ideas to the Canadian population, explaining the problems that we have to face today. He did not roam about the country decrying people or seeking to prejudice reputations or to spread falsehoods throughout the country. Rather, he tried to propose a solution, a monetary system which would give a new expansion to the Canadian economy, an expansion which the country can enjoy and which it deserves at present.

In second place, I should like to address my congratulations to our national assistant leader, the hon. member for Villeneuve (Mr. Caouette) for the manner in which he conducted the election campaign in the province of Quebec. It was also a clean campaign; he outlined ideas and tried to appeal to the common sense of the people, rather than to their lowest instincts.

Mr. Speaker, perhaps the speech from the throne that we have before us is somewhat vague, but I suggest that it is like all the other speeches from the throne. It gives indications that there might be some achievements from the legislation that the government will bring forward. Let us hope that the attitude of the government in this field will differ from that it seems to take in the case of the matters that we had been putting forward since the beginning of the session. We get vague replies, or rather, no replies at all. When we put a question to the Prime Minister (Mr. Pearson), his favourite answers can be summed up in the following manner: "We shall give you a reply in due time. We shall take care of that a little later. We cannot make an announcement right now".

Their answers are most evasive and I hope that in the future members of the cabinet can be more factual and give us the answers we expect to get.

Mr. Speaker, the most serious problem today is still the economic situation. Our people live in a condition of prevailing economic stagnation. In fact, unemployment is developing at a rate a little too high for a country such as Canada. We note that industry finds it difficult to develop, that it cannot advance. At the same time, trade is declining.

We must get our economy moving again and provide for its expansion.

The speech from the throne announced measures aimed at giving expansion to our Canadian economy but it does not contain a paragraph that we find in the Liberal party platform for the 1963 general election. In fact, I have that platform in my hand and on page 11 I find a paragraph which does not appear in the speech from the throne but which would have opened the door to all the solutions that the speech from the throne would like to apply. I think that paragraph is more important than all the rest of the Liberal party policy and even more important than the speech from the throne itself. I quote:

> A new Liberal government will see to it that the money supply is large enough to insure that tight money will not paralyse business—
>
> A new Liberal government will see to it that the money supply is large enough—

Mr. Speaker, I feel that the major problem facing Canada at this time is that of the money supply. Our country's possibilities are out of proportion with the amount of currency in circulation.

It is proposed to help create new industries at a time when existing industries are marking time and several of them have to close down or reduce production. Why is that? Because the available money supply is not sufficient for Canadian consumers to purchase all our production.

And by Canadian consumers, I mean the federal government, the provincial governments, the municipalities and the school boards as well as the individuals.

This morning questions were addressed to the Minister of Justice (Mr. Chevrier) about construction of penitentiaries. Everybody in this house will agree that there is a scarcity of penitentiaries, but the Minister of Justice stated: "We cannot build any because our budget does not enable us to". So this is a matter of budget not a matter of our country's productive capacity.

People ask for the erection of post offices. The erection of those buildings is acknowledged to be imperative, but our budget is such that we cannot afford it.

For many long years, the voters in my riding have requested the erection of an armoury building. It will not be built because our budget does not allow it.

Yet the capacity for building those structures is there. But the money supply, the credit which would enable us to erect those buildings and thus reduce unemployment, is not there. Why? Simply because the government has no control over the money supply, over the credit which would enable this country to expand.

The present Liberal administration is fully aware of that because they said in their program:

> A new Liberal government will see to it that the money supply is large enough to ensure that tight money will not paralyse business—

And it is precisely a tight money situation which is paralysing business today.

Consider for instance the government of the province of Quebec facing all sorts of difficulties because they do not have available to them the credit that would be necessary for a full expansion of industry, as well as of the education, health and highway facilities. Since they do not have the necessary credit, the government of the province of Quebec are now serving an ultimatum—this is the word used by the premier of the province of Quebec himself—asking a better tax-sharing arrangement from the federal government in order that the provinces may develop by themselves, and this ultimatum from the province of Quebec is based on the need to obtain new credit to successfully implement their program, because the province of Quebec has roads to build but no money to do it.

On the other hand, the federal government are in a sort of disastrous situation. They find themselves in hot water because this request comes from one of the main supporters of the federal Liberal party in the last general election, none other than the premier of the province of Quebec.

But, the present administration know very well that they cannot return to the province its sources of revenue because they are themselves in a disastrous financial situation at the present time and they must face unbalanced budgeting and accumulated deficits. This government must face the problem of health insurance and they must replenish the unemployment insurance fund. How can we expect the federal government to do away with its sources of revenue when it needs them itself.

We can feel at the present time that there is dissension between the two levels of government and it is due not only to the fact that the money is not there for those who need it but also that the governments try to grab for themselves the little there is. In fact, it is as if there were on a plate a single piece of pie over which the federal government and the provincial governments were fighting.

The best suggestion we can make to the government at the present time is to read over carefully that section on page 11 of the Liberal platform for the 1963 general election. If the government applied that section, it would realize that all the other pledges that they made or which are contained in that booklet can be readily implemented.

In fact, this booklet contains statements concerning old age pensions and assistance for the construction of houses. But nothing can be done now because, as it happens, no money is available for that purpose.

I wish to point out to the house many problems which are ignored in our country at the present time, especially the role assigned to the industrial development bank. That institution was established to help the existing small industries, but it now refuses about 90 per cent of the loans' applications,

precisely because it does not have the necessary money to help small industry to develop. There is no co-ordination between the various departments who could help to solve the industry's problems. In this connection, I should like to mention a striking example of what took place in my riding.

Some time ago, that is immediately after the holiday period, a manufacturer in my riding, who owned a small mattress industry, was hiring ten employees at the time, but had orders on hand which exceeded ten times the number of mattresses he was able to put out, i.e., from 800 to 900 mattresses a year. Now, I accompanied that business man who wanted to obtain a loan from the industrial development bank. After having submitted his request, he was told: "We cannot grant you a loan, your business is not large enough." Now, mind you, Mr. Speaker, this man is anxious to enlarge his business, and it was for that very purpose that he was asking for a loan of $40,000, which would have enabled him to hire 50 new employees, and to reduce the number of Canadian unemployed proportionately, and more particularly in my riding.

After he had exhausted all arguments, I said to the manager. "But if you grant him a loan of $40,000, this means that there will be 50 fewer unemployed in the county of Jonquiere, who will then have no need for social benefits or unemployment insurance payments—each of them receives an average of $100 a month in unemployment insurance benefits. This would therefore, mean a saving of $60,000 a year for the unemployment insurance fund, for this is the amount now paid in benefits to the 50 unemployed who would then have found work. If the government had granted a loan of $40,000 to this small business man, it would, in a year, have saved $60,000 for the unemployment insurance fund; moreover the federal government would receive taxes from those former unemployed who would be working and realize a profit even if the loan were not immediately repaid.

But the manager answered: "I understand those needs very well; however, this is no concern of mine. It comes under the unemployment insurance branch."

And if you try to explain that problem to the unemployment insurance commission officials, they will not understand it either.

As you see, Mr. Speaker, there is no co-ordination between the various government departments. The unemployment insurance commission is interested only in paying allowances to the unemployed, without requiring the latter to work. On the other hand the industrial development bank is not interested at all in helping reduce unemployment in Canada.

Rather than keep on creating a lot of boards, economic councils and so on, the services of all government departments should be co-ordinated in order that the taxpayers' money be spent wisely.

Mr. Speaker, last year, amendments were made by this house to the federal Farm Credit Corporation Act, so that farmers of the province of Quebec, like those of eastern Canada, could derive greater profit from it. We hoped it would be a good piece of legislation.

Well, in my riding, hundreds of requests were made, but barely 2 per cent were accepted.

Legislation is adopted to help the farmer, but when the farmer asks for any assistance, it is refused, so that the act becomes almost inoperative. What good is it then to pass legislation in this House of Commons if it is not put to some use, and inspectors or managers in the various government departments see to it that it is not.

Mr. Speaker, I would now like to deal with another problem. There has been talk in the house lately about problems raised by the coexistence of the two great nations making up our country. Mention is made of the establishment of a royal commission on biculturalism or the study of that problem.

I read in a newspaper this morning that a government member has made a suggestion which I feel is very sensible. He said: "In the forthcoming days and months, we should concentrate in obtaining bilingualism in the federal civil service without further delay." And the member for Drummond-Arthabaska (Mr. Pepin) expresses fear that the holding of a royal commission on biculturalism might well lead French Canada to miss the boat once again.

It is a fact, Mr. Speaker, that because of the delays which will ensue from the inquiry, we may lose sight of our objective. As the hon. member for Îles-de-la-Madeleine (Mr. Sauve) stated the other day, there are many things which should be improved in our own house; the structures of the federal government, of parliament itself, should be revised. Even in the parliament buildings, in Ottawa, there are serious gaps as far as bilingualism is concerned.

In my opinion, the present government should not wait until the royal commission on biculturalism submits a report to put its own house in order. It should ensure that throughout Canada, full recognition is given to bilingualism not only in all fields pertaining to federal jurisdiction but also in matters which come under the provinces. Lately I received two pamphlets. One is a C.N.R. publication called "C.N. Keeps Track" which deals with a certain number of promotions. That was the issue of May 1963, written in English. Out of 24 promotions given lately at the C.N.R., only three went to French Canadians. That is what is happening in May 1963, only five or six months after the repentant president of the C.N.R. assured us that there would be no recurrence of such situations.

I have also before me the *Canadian Travel News,* written in English.

(Text):

T.C.A. holds staff instructional courses for personnel.

(Translation):

Courses, that is, to prepare its personnel for promotions. Out of the 29 employees who follow those courses there is not a single French Canadian.

It is my contention, sir, that the government should look more closely into the matter; it should institute reforms right now instead of waiting for the establishment of a commission of inquiry.

But I think that a still more serious problem exists. Language is not the only difficulty in Canada today. My grandfather and my father spoke French in the province of Quebec; I speak French and my seven-year-old son speaks French very well. I am convinced that we will keep on speaking our language, and we have proved it for 200 years.

However, the heart of the problem lies somewhere else. It is rather that at the present time, among French speaking Canadians, especially in the province of Quebec, the idea of "decolonization" is spreading, as it is throughout the world, but in our province it is more a matter of "economic decolonization".

We feel that, in the economic field, Canadians from coast to coast are more or less "economically colonized" by foreign countries. We do not control our own economy. We do not control our own industry. And the French Canadians, feeling this much more deeply than the English Canadians at the present time—I am sure of that—would like to break those chains, those economic ties that bind us too closely to other countries.

Now, in this economic decolonization effort the French Canadians lack the support of the English Canadians to walk in line with them. They feel that, in this decolonization effort, they have to drag the English Canadians along with them, and the burden they have to carry becomes too heavy. They say: we might as well go it alone and let the other provinces sink into foreign economic control, if that is what they wish.

Proofs of this are to be seen everywhere. A few days ago, I received—and all hon. members must have received it too—a report on small loan companies from the superintendent of insurance for Canada. I always go through these reports for I find them interesting. For instance, take the two largest of these small finance companies operating in Canada. The largest one, Beneficial Finance Company of Canada, has an authorized and issued capital of $10 million. Out of these $10 million, $9,980,000 have been issued to Beneficial Finance Company of Wilmington, Delaware, U.S.A., and only $20,000 were issued to Canadians. Twenty thousand dollars, out of $10 million, were issued to Canadians and $9,980,000 to an American company. Last year, with this authorized and issued capital of $10 million, this company had a surplus of $9,188,738.01. Making $9,188,000 with an authorized capital of $10 million is what I would call a paying proposition. But profits do not go to Canadians; they go to an American company that comes here to get our money. This is what I feel is important: they come in our country to get our money.

The second finance company mentioned in the report, Household Finance Corporation of Canada, has an authorized capital of $5 million, but with $3,075,000 issued and paid up. The president, Mr. F. A. McDonald of Chicago, Illinois, has subscribed $3,052,000 out of $3,075,000 which leaves about $17,000 subscribed by Canadians. That gives you an idea of the situation, Mr. Speaker.

And you can look into all the other branches of our economy. Not so long ago, two important Canadian chartered banks, the Imperial Bank of Canada and the Canadian Bank of Commerce, merged under the name

of the Canadian Imperial Bank of Commerce. According to the Canada Gazette a British bank is the major stockholder in the merger.

Foreign capital controls our economy in such sectors as financial companies, industrial concerns, banks and many others. From the economic viewpoint, Canada is a colony, under the control of foreign enterprises, and our country has become a sort of private hunting ground, where these enterprises become rich at our expense.

In the field of insurance, how many Canadian companies sell insurance in France, Great Britain, the United States or Belgium? On the other hand, innumerable foreign insurance companies come over here, collect Canadian money and pocket their profits. The same situation prevails in all other areas.

That is why, Mr. Speaker, I say that we feel we are not the masters of our own country. And industry in the province of Quebec does not belong to English speaking Canadians.

No, it is not the citizens in the province of Ontario who are to blame if we are not masters of our own industries in our province of Quebec. It is rather the result of a whole set of circumstances if our industries today are owned, not by Canadians but by foreigners.

Like the citizens of other countries who in the last few years, had felt the same need, the French Canadian people want to throw off the foreign yoke. If they cannot get the co-operation and collaboration of the English speaking Canadians in order to share in this struggle for economic liberation and that of their province, then the French Canadians are prepared to go ahead alone, because the Canadians from the other parts of the country do not seem ready to participate in the same effort in order to free themselves from the economic foreign hold which controls our economy today.

Mr. Speaker, I think that it is a very sensible feeling.

How is it that every year our minister of finance tells us: "We have a tremendous trade deficit". Last year, in reply to a question, the then minister of finance, who is now in the opposition, said this:

> There was an outflow of $1,100 million in Canadian money last year in payment of dividends, interest and profits to foreign companies operating our Canadian industries.

It is obvious, Mr. Speaker, because while Canadian labour unions in the nine other provinces are all branches of international unions, in the province of Quebec we have a Canadian union, the confederation of labour unions, which is the only important independent union in the province of Quebec and in all Canada.

Even the labour leaders in the other provinces accept such a situation, that is being under the control of international unions. It is amazing, all the same, to find that money is leaving Canada under the form of labour contributions paid to international labour unions. It is amazing also that English speaking workers do not realize that they are themselves under the economic domination of foreigners.

I am sure our workers in Quebec are intelligent enough to look after their own. They have set up their own trade unions, like the C.S.N., which is in a much better position today than the unions which have to take orders from outside.

I have touched upon only a few points relating to finance companies, trade unions and Canadian industries. However, I could give many other instances.

If we wish to realize national unity, we will have to get together and become masters in our own house.

Mr. Speaker, we do not even have a distinctive Canadian flag. Is that not a sufficient proof of our immaturity? How then can we hope to shake off the last remnants of foreign political domination? But such is indeed our present state of mind.

Some of my constituents sometimes tell me: "We have the Queen's picture on our dollar bills; does it mean that if these dollars are scarce, it is because the Queen of England does not wish to give us more?"

Mr. Speaker, French Canadians want to throw off the last traces of foreign sway. Their claim appears to be just and reasonable. I think, as they do, that if all Canadians throughout the country worked together to abolish foreign control of their economy, they would be masters in their own home, freed from the control of foreign enterprises whose head offices are on foreign soil.

A truly Canadian flag is naturally very important, but not quite as important as to be master of one's own castle. Perhaps the

English speaking Canadians are not too concerned about their freedom, but French Canadians are very attached to it. If the English speaking provinces do not wish to help us to free ourselves in every respect, we would be ready to mark off the boundaries of our own province.

When we are promised a flag within two years, I cannot but recall that the French Canadians had to fight for 20 years in order to obtain at last bilingual cheques and the right to conduct bank transactions in both languages. The former minister of finance settled the matter in five seconds. He merely said to the printer: "Print the cheques in both languages".

The same thing should be done as regards the choice of a flag. The question would be settled as quickly as the other one if the Prime Minister just gave to the employee appointed to hoist the flag on the parliament buildings the order to hoist some distinctive national flag, whatever its design. It is useless to spend two years trying to find a proper design, for there will always be people who are not satisfied. There are 4,000 designs of flags at present in the files of the Secretary of State (Mr. Pickersgill). However, it would be possible to select a distinctive flag within the space of ten seconds.

You may find I am simplifying the problem. In fact, it has to be simplified if it is to be settled. The important thing is to be free from all traces of ties and domination such as we have had in the past.

Mr. Speaker, I am convinced that all the problems Canada now has to face in the economic field can be solved.

I have mentioned but one point taken in a brief paragraph of the Liberal program. I do not wish to be unduly critical of the new government, for I do want it to prove itself, especially concerning the questions I raised earlier.

I shall end here, since my time has expired. Let the suggestion contained in this short paragraph be put in practice, and many problems will be solved, which is what all Canadians wish. Then we shall reach a lasting understanding in our country.

(Text):

Mr. Barry Mather (New Westminster): Mr. Speaker, the compliments which previous speakers have paid to yourself and your deputy on your appointments have been so well worded that I think it unnecessary for me to further take up the time of the house by repeating them. However, I would like to say just this, that in my opinion if the government only shows the same good judgment in other matters during this session as it did in your appointments, the work and responsibility of the opposition would be very greatly reduced.

Mr. Speaker, I come from the riding of New Westminster, which is the deep southwest of Canada. This riding has more people in it than has the province of Prince Edward Island. It is the largest riding, as regards population, west of Toronto. As I say, we have more people in our riding than there are in the province of Prince Edward Island. That province, however, as you know, has at all times four members in this house and four members in the other place, whereas our riding of New Westminster, with its larger population, has only Senator Reid and myself to carry on all its work. So you can see how busy we must be, sir.

In many respects New Westminster is, I think, a good cross section representation of many other ridings of Canada. We have many large developments in agriculture, dairying, fruit and vegetable growing. We have a large fishing fleet based there, many lumbering and saw mill operations, plus a growing number of secondary industrial manufacturing concerns. In addition, many people who work in the larger city of Vancouver make their home in the three municipalities and three cities of New Westminster riding.

I think the people who live in our riding are very much like the people who reside in other parts of Canada. They have the same basic needs. They want health, education, employment and peace. They have sent me here again, sir, to do what I can to get these elementary things for them and make them possible for their children. In my view I can only succeed to the degree that this nation, and indeed the whole world, proceeds on the basis of planning and co-operation for the welfare of the majority.

Mr. Speaker, we in the New Democratic party have very little hope of the present administration achieving very much along that line. As the previous prime minister said, I think last session, "We hope but with little hope". We know, like the official opposition whose members are mostly still dedicated to the ideals of outmoded laissez faire capitalism, that the government has the same general ideas, and that it has only reluctantly and out of economic necessity begun to speak now of economic planning and collective collaboration. We know there are serious omissions in the throne speech. There are many subjects which have not been gone into. For example, I think a very serious problem in this country which we should face up to is the fact that we are spending something like 40

cents of each federal tax dollar on the non-constructive items of armaments and debt interest. Can we afford to do this?

On the other hand, Mr. Speaker, our party sees in the throne speech, after all these years, a few of the things which we in this party, and in the C.C.F. before us and in the Progressives before them, a few of the things which we worked to bring about. We see that the throne speech promises action on planning and on economic boards for the better production and distribution of goods and services. Second, we welcome in the throne speech an intimation that there is to be a beginning of contributory pensions and an increase in the present pension. We hope again that these matters will be undertaken in very short order, and that it will not be proved to be a move which will be too little and too late. It might be considered that for the past 15 or 20 years in this country approximately 25 per cent of the value of pensions has been consumed by the constant inflation which has taken place over that period.

The subject of redistribution is mentioned in the throne speech, and we are all for that. There is a pressing need for Canada to redress the present unfair basis of representation in parliament which gives such legislative power into the hands of rural minorities. As you know, in the United States citizens in urban and suburban communities have recently taken action in the courts to secure a better form of representation for themselves in the councils of their nation. In Canada, Mr. Speaker, we in the New Democratic party have consistently polled over one million votes, which should entitle us on a numerical basis to something like 35 to 40 seats in this house. Yet the system of representation which we have—or should I say "misrepresentation"—limits us to about half that number. We are glad to see that the government intends to redistribute our electoral units. We would also favour action to bring in absentee voting. At the present time scores of thousands of industrial workers are disfranchised at every election.

The 12-mile fishing limit is also mentioned in the throne speech and is a matter which has been fought for by those of us in this part of the house for many years. Indeed, I have a bill calling for the 12-mile limit on the order paper at this time, and I had it there last session. While I am not from Missouri but from British Columbia, where the people long ago learned to distinguish between promises and performances, I intend to leave my bill on the order paper until I see the legislation the government is speaking of bringing in.

Mr. Speaker, we in this part of the house consider that our function is not to block but to push, not to drag but to drive, not to slow down but to speed up. We in this party are here to oppose delay. We are not here to defeat this government; we are here to get the best and quickest possible results for the people of Canada. But, Mr. Speaker, we can do little or nothing to achieve a better Canada unless or until we have a better world. We have some terrible contrasts and maladjustments in our present world. It is a very small world now; we can fly around it in minutes and send messages around it in seconds. We are now trying to get to other worlds and will very likely succeed, unless in the meantime we succeed in blowing up and destroying our present world. At the same time over half the people in the world are said to go to bed hungry at night. Millions are suffering from disease. Hundreds of millions cannot communicate with each other, cannot read or write.

For our part, we in this part of the world have to deal not with shortages but with surpluses. It strikes me that nearly all the problems which come before us in this house arise from problems of surpluses, having their roots in production or in the deployment of our manpower. Our problem is one of distributing the vast wealth which we have produced, and this is an impossibility under private enterprise alone. These are some of the problems and maladjustments which exist.

Mankind is further divided by our political creeds. We here call for increased support of United Nations agencies, and we mean to exert every effort we can to see that this is done. In my view, Mr. Speaker, the first essential is to work for peace. Without that we have nothing. In that connection I should like to compliment the hon. member for Northumberland (Miss Jewett) on her recognition of the changes which are taking place in the international scene and for what I took to be her personal opinion that the time is drawing near when this country should recognize China.

Mr. Speaker, in that regard I have a proposal to make to the government. If we can have two ministers of agriculture, could we not have two ministers of external affairs? It seems to me that if the government would appoint the hon. member for Northumberland as the minister of external affairs for the Pacific region it would be a very good thing. I can promise her the warmest support from this quarter of the house.

Mr. Speaker, I think it is well for us at this time to consider the historical fact that the differences that we in the western world have with those of the east, considering all the divisions and the bitterness existing

between us, are yet less than those which a few centuries ago plunged the world into religious wars which plagued Europe for centuries. As someone has written, if those who had been involved in the religious wars of the sixteenth and seventeenth centuries could return to earth today, they would be astonished to find the old hatreds gone and that the old antagonists, instead of burning each other at the stake, are able to live together peaceably and discuss things in a rational manner.

I should like to urge upon the government, and particularly on the Prime Minister, that they do not isolate Canada or lessen her power for peace by perpetually and automatically turning a deaf ear and a blind eye, as some do, to offers or actions of a conciliatory nature which may be made by the other side. We on our side of this world dispute are not all white, and those on the other side are not all black. I think there is meaning in the words of the former president of the United States, President Eisenhower, when he said that the people of the world want peace so much that unless their leaders get it for them they will somehow push them out of the way and unite for peace of their own accord.

Mr. Speaker, our Prime Minister has recently visited the United States. I understand that he intends to go again. Still more recently we have had the NATO conference here. I suggest to the Prime Minister that he consider—perhaps he has already done so—the possibility of making a visit to Russia to see if he cannot use some of those powers of his which once won him the peace prize of the world toward securing at least a better feeling and an easing of tensions between that country and our neighbour to the south. We would have nothing to lose by this. Ultimately we are either going to live together or die together; there is no other alternative.

Turning now to our internal affairs, I should like to put forward a few of my own proposals. One of the growing services of our nation is transportation. It is something which affects us all. I think a great deal more federal attention should be given to transportation; because whether it be air, sea, train or bus, transportation is now subsidized by the taxpayer. In many instances a subsidized part of the industry is competing on its subsidy with another subsidized part of the industry. I believe the time is here when we should set up a comprehensive, all-embracing transportation authority in Canada which will have power to plan and regulate the expenditure of public money on transportation, so that the best result could be achieved for all and particularly for the public.

Another point I should like to put forward is that there is a need for a very much stepped up and more imaginative program for our rapidly approaching centennial celebrations. These take place, Mr. Speaker, in 1967, and speaking as one who had something to do with the initiation and organization of the 1958 centennial celebrations in British Columbia, I think it should be pointed out that we are behind time with our national celebration preparations. These will take place in 1967, and plans for them must be completed by the end of 1966. We are now almost half way through 1963, so there are approximately 43 months left to prepare for these celebrations and ensure that they are of the magnitude which a country of Canada's size should expect.

We still seem to be lagging. Is it because we have not got the right kind of organization? Is it because we are not providing enough money? Is it because we lack the imagination to see what this birthday celebration can do for Canada at home and abroad? For one thing, I would like to think that on the morning of January 1, 1967 not only across Canada but around the world the new flag of Canada, which the government promises, should be unfurled in simultaneous demonstration.

An additional proposal I want to make concerns taxation. In the United States municipal taxes and mortgage interest payments on homes are deductible from federal taxes. They should be here, too. This would encourage home building, home owning and family stability, to say nothing of stimulating increased business in the construction industry and in all the many related businesses.

Second, I call for the levying of a capital gains tax on stock market profits. Canada is one of the very few countries which does not have such a tax. Millions could be secured from it and put to work to reduce either the public debt or the level of other taxation.

In the field of citizenship and unity, I feel that whether we are English speaking Canadians, French speaking Canadians or members of that other great group, the new Canadians, the important thing is that we are Canadians. In this connection I make a modest suggestion. We use the translation hearing aids, but for the people who visit us and sit in the galleries there are no such aids. If they are English speaking Canadians, without French, they must listen to 20 minutes of oratory of which they can understand nothing. If they are French speaking Canadians without English, they must hear a speech in

English, such as my own, without comprehending any of it. I think it only right that we should install in the galleries translation hearing aids which would enable our visitors to tune in on all of us. And when they do so they will find, I am sure, that though we are speaking in different ways, in our ideas we speak the same language. I put forward as a serious suggestion the provision of translation hearing aids for the galleries.

In conclusion, Mr. Speaker, there are the local issues or problems of my own constituency. I hope this new government will go ahead at once with matters which have been on the books, so to speak, for years, including the reorganization of the present New Westminster port authority into an enlarged Fraser river authority, giving representation to the municipalities along the banks of that great stream. I will have more to say on these and other matters as we progress in this session. I resume my seat now so that other members will have an opportunity to speak.

Mr. J. E. Lloyd (Halifax): Mr. Speaker, on May 16 I took my seat for the first time in this House of Commons as one of the elected members from the dual constituency of Halifax. It is a constituency in which 225,000 Nova Scotians reside.

Within its boundaries are two cities; Halifax, the historic capital of Nova Scotia, and Dartmouth, one of the most rapidly expanding cities in Canada. Outside its urban area it includes the beautiful farming district of the Musquodoboit valley. Along its Atlantic coast boundary are found picturesque fishing villages such as Peggy's Cove, Little Harbour and many others, the home of the hardy inshore fishermen, unique places of interest to artists, relaxing vacation spots for those who enjoy Nova Scotia's rugged coast line.

My constituency includes that world famous east coast port from which convoys sailed during both world wars to maintain vital supply line to the allied forces overseas. The port of Halifax, one of Canada's year round ice free Atlantic ocean ports, is a major base for Canada's armed forces. Around its shores are found nationally recognized universities and colleges—Dalhousie, St. Mary's, Kings and Pine Hill—as well as the offices of departments and crown corporations of this federal government. For example, there are armed forces establishments, the national harbours board, the Bedford institute of oceanography, C.N.R., T.C.A., central mortgage and housing, the Department of National Revenue and the Bank of Canada.

The extensive facilities of the Halifax shipyards, including floating and dry docks for new ship construction and ship repairs, provide a key industry. Expanding oil refineries and secondary manufacturing plants are located on the Dartmouth side of the harbour. In short, my constituency is a metropolitan urban growth area, the seat of provincial government and a centre of banking, trade and commerce. According to economic base and other studies, the population could rise to 300,000 in the next ten to 15 years.

For many years I have enjoyed the privilege of service in the Halifax city council, and was its mayor when elected to this house. I am most pleased to have associated with me, as a Liberal member from our dual constituency, a young energetic member of the bar of Nova Scotia. He has to his credit many accomplishments in the field of labour management relations.

My colleague has brought to your attention the serious threat to the volume of winter port traffic at Halifax with advent of extensive icebreaker operations in the upper reaches of the St. Lawrence. We shall seek the co-operation of the government and this house to adopt constructive proposals that will stop the gradual erosion of our winter port business, a vital and substantial element in the economic base of the port region around Halifax harbour.

We shall also seek the co-operation of the government and parliament in correcting a serious injustice in the policy of grants in lieu of municipal taxation of crown properties. For example, in Montreal—and I should like my colleagues from Quebec to note this—the C.N.R. is liable for, and pays to that city, 100 per cent of municipal real property taxes, business taxes and water taxes. In Halifax a privy council order limits such grants to 50 per cent of the real property tax. The Nova Scotian hotel enjoys a ten year tax agreement limiting its tax payment to $60,000 per year. In the city of Montreal the Queen Elizabeth hotel is liable for 100 per cent of all city taxes. For 1963 that tax bill ran close to $1 million.

The national harbours board grants in lieu of taxation are confined to the equivalent of rated police and fire protection taxation on its properties throughout Canada. The board contends its operating deficits prohibit it from meeting the liability for grants equal to 100 per cent of real property taxation. On the other hand, like the C.N.R. the national harbours board continues to accumulate interest charges on outstanding loans and advances from the national treasury, its only source of capital funds. Only part of that interest accrual is actually paid. Its 1962 balance sheet shows $71,290,474 in interest arrears. It also continues to make provision for depreciation of its fixed assets. At December 31, 1962, it

held approximately $60 million in treasury bills and government bonds for replacement of capital assets.

The board has been unable to supply us with any consistent definitive policy with respect to the disposal of replacement reserve funds. In fact they have been employed as working capital funds. In short, the board's contention that it cannot afford to meet local taxation is indefensible. Grants in lieu of taxation on crown property do more than relieve the pressure on the local ratepayer. They provide an import dollar quotient to our port region, with its beneficial multiplier effects in our marginal economy.

Until we improve on our present office arrangement, my colleague and I run the risk of being distinguished in this house as the centre block speaking and the west block speaking members for Halifax. With that temporary disability overcome, we look forward to more effective teamwork in this house. Despite our professional backgrounds, we readily admit our need for experience with the unfamiliar procedural rules and the general *modus operandi* of this national parliament. During orientation to my duties I have gone through the usual initial periods of frustration and bewilderment that confront all new members. Setting up a small office in share quarters is an example. I share with the hon. member for Kings (Mr. Mullally) a splendid view of the excellent masonry at the back of the peace tower. On the other hand, I have enjoyed many moments of enlightenment afforded to me by understanding, co-operative and experienced hon. members and civil staff members.

Despite that willing co-operation, for which I am most grateful, I have continued in orbit around Ottawa to such an extent that I believe I vie with the accomplishment of astronaut Cooper. At this moment, my first speech in this house, I begin the re-entry program, with procedural controls in your hands, Mr. Speaker. I trust that I shall successfully land on my feet from cloud nine without unscheduled stops on the clouds in between. Now I turn to my re-entry rockets.

I share with all hon. members, Mr. Speaker, a deep sense of appreciation that you were available and willing, with the customary display of traditional reluctance, to undertake the onerous duties of Speaker. Your wide experience and highly respected service as a member of previous parliaments should greatly expedite the urgent work to be performed by this house.

I now turn to my specific comments on the address in reply to the speech from the throne. The right hon. leader of the official opposition (Mr. Diefenbaker) spoke in derogatory terms of the decisions made by the new Liberal ministry. It is my purpose to show that the right hon. member has made assertions about the throne speech that are unsupported by any foundation in fact. Indeed, the right hon. member in his former capacity as prime minister of Canada is now on the opposite side of the house because he failed to make the very decisions Canadians urgently needed and wanted and which are now the decisions of the new Liberal ministry, notice of which is set forth in the throne speech.

May I first commend the government for its decision to present legislation to the house to establish a municipal loan fund. This is good news for the mayors' federation of Canada, which sought in vain for such a fund from the previous government. They made representations on this matter in 1961 to the Senate committee on manpower and employment. Extensive justification in support of the federation's carefully drawn conclusions is set forth in report No. 10 of the Senate committee proceedings dated February 15, 1961.

Subsequent thereto the federation urged the then minister of finance, the former member for Eglinton, to recognize the urgent need for national government action to implement the proposed fund. No decision was made at that time. Following the June 18, 1962 election no action was taken on this matter so vitally essential to any comprehensive plan to increase the opportunities for national employment and at the same time overtake the backlog of much needed municipal services and urban renewal programs. It could provide a potential alternative to foreign sources of funds and thus help to improve the nation's external payments position.

The government of the right hon. gentleman who now leads the official opposition further delayed a decision on this urgently needed policy by referring the question to the royal commission on banking and finance. On October 29, 1962 the mayors' federation submitted to that commission another extensive brief fully outlining the many economic advantages to be derived from a federal government municipal loan fund.

The Leader of the Opposition had much to say about the throne speech. On page 43 of *Hansard* for May 20 he is reported as follows:

> I intend to deal with this speech from the throne, because in every part of Canada there is national disappointment. It is full of platitudes spaced out among economic generalities which indicate that the planners and the bureaucrats know best.

I am certain, Mr. Speaker, that the mayors of Canada, who submitted their brief on the need for a municipal loan fund to the royal commission on banking and finance, are not

disappointed with the Liberal ministry's decision to ask the house to establish a municipal loan fund. I am equally certain that the brief submitted by the mayors' federation on this matter is neither platitudinous nor the product of bureaucrats.

At this point it may be well to contrast the previous government's vacillation on this vital and urgent matter with the performance of the new Liberal ministry. On April 22 the right hon. gentleman from Algoma East (Mr. Pearson), who so capably leads the Liberal party, became Prime Minister. He proceeded with the appointment of his cabinet ministers and then went to work. On May 16, the day the house was opened, the throne speech reflected the decisions which had been made in the first 24 days of the new ministry. The Leader of the Opposition referred to the expression "60 days of decision" as "shifty days". The record of performance of this house on the specific recommendations of the new Liberal ministry will determine to which hon. member and to which party the term "shifty" should apply in the context used by the Leader of the Opposition.

I reiterate that the throne speech reflects the decision of the new ministry to establish a municipal loan fund, a decision taken within 24 days contrasted to over two years of established shiftiness on this subject by the former government, which then ducked the issue by waiting for the report of the royal commission on banking and finance.

The throne speech also provides other conclusive evidence of decisive action on the part of the new Liberal ministry within the 24-day period from April 22 to May 16. During those 24 days of decision the government decided to introduce measures at the current session of this twenty sixth parliament to establish a new department of industry to foster industrial expansion throughout Canada.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

Mr. Lloyd: Mr. Speaker, when we adjourned at one o'clock I had been describing the events of the 24 days of decision under the new Liberal ministry from the date they took office on April 22 to the date of the opening of this session on May 16. I reiterate my closing remark at one o'clock that the speech from the throne gives further evidence of ministry decisions during this 24-day period. The speech from the throne, for example, reflects the decision of the new ministry to establish a municipal loan fund, a decision taken within 24 days in contrast to the two years of shiftiness on this subject by the former government, who then ducked the issue by awaiting the report of the royal commission on banking and finance.

The speech from the throne, Mr. Speaker, provides other conclusive evidence of decisive action on the part of the new Liberal ministry within this 24-day period from April 22 to May 16. During those 24 days decisions were taken to introduce measures during this twenty sixth parliament to establish a new department of industry to foster industrial expansion throughout Canada; to establish an area development agency within the new department of industry to work in co-operation with provincial governments in areas of chronic unemployment such as we have in a number of districts in Nova Scotia, particularly the Cape Breton-Pictou area and other areas where coal mines have been closed down.

During these 24 days, Mr. Speaker, the new Liberal ministry decided to strengthen the obvious weaknesses in the Atlantic development board and to provide it with a national assistance fund for projects essential to a revitalized Atlantic economy. During those 24 days the new Liberal ministry decided to recommend to this house amendments to the National Housing Act designed, I believe, to promote dwelling construction and home ownership and to advance urban renewal programs. Within these 24 days the new Liberal ministry decided to establish a national economic council to assist government, industry and labour in obtaining the maximum use of the nation's human and material resources through co-operative effort. In my opinion this means not more and more planning but more effective and better organized economic planning by government in co-operation with private management, labour and provincial and municipal governments.

The speech from the throne, Mr. Speaker, gives further evidence of ministerial decisions within the 24-day period. For example, I cite the proposal to establish a royal commission on biculturalism; the actions taken to meet our commitments under the NATO alliance; the establishment of eastern and western divisions within the Department of Agriculture; the establishment of a system of contributory pensions; the redistribution of seats; the appointment of a special committee to examine defence problems.

I submit, Mr. Speaker, that no ministry of this parliament since confederation has moved with greater dispatch and with such a responsible sense of urgency, with such proven skill and ability, to attend to the nation's

business. The government's program is before us. It is up to us, in this parliament of minorities, to co-operate with this decision-making cabinet, leaving history to record this parliament as the parliament of decision.

Mr. Charles J. M. Willoughby (Kamloops): Mr. Speaker, I should like to add my congratulations to those of hon. members who have spoken ahead of me in this debate to yourself and to your deputy upon appointment to these high offices. I understand from those who have been in this house for years that the choices are excellent. I should like also to congratulate the Prime Minister and the members of the cabinet upon their appointments to posts of high responsibility. I hope they may discharge their responsibilities with due regard to the welfare of all our country. I should like to congratulate also the hon. member for Northumberland (Miss Jewett) and the hon. member for Lotbiniere (Mr. Choquette) upon the excellent manner in which they discharged their duties in moving and seconding the address in reply to the speech from the throne.

Now, Mr. Speaker, I know it is unusual for a man of my years to make a maiden speech. I happen to be one of the few medical men in this house, and I am much more accustomed to delivering babies than I am to delivering speeches. However, I do feel that such an undertaking in this house would probably be inappropriate at this time. I do, however, wish to remind hon. members that great men like Pitt, Churchill, Burke, Gladstone, Macdonald, Laurier and even our present Prime Minister began life with a feeble cry. If what I have to say this afternoon sounds in any way like a feeble cry, then at least I have the consolation and satisfaction of knowing that I am not alone in this house, because I have heard many feeble cries from the benches opposite. This is not the time to worry about the plight of hon. members opposite. This is a time when we should be concerned with the continuing good government of our country.

I am here, Mr. Speaker, representing the constituency of Kamloops. I know that during the last 18 years the hon. member for Kamloops has had a special and honourable place amongst the members of this house. "Kamloops" has always meant Davie Fulton. I come to praise him, not to bury him. I am certain, Mr. Speaker, that every member of this house wishes him well in his new endeavour. I have heard it said that in his new field of operation he is tilting at windmills. Let me say that this is not so. Our friends Mr. Bennett and Mr. Gaglardi in British Columbia are not windmills; they are all wind and no mills. If the present government of British Columbia continues as it has in connection with the Columbia river treaty, the chance of getting mills grows smaller and smaller and eventually there will be no power and no mills left.

Mr. Patterson: That government will be there for a long, long time.

Mr. Willoughby: That remains to be seen. I am here, as Davie Fulton always was, to represent the people of Kamloops with the vigour and integrity for which he was so well known. Hon. members will recall the many ways in which he has rendered service to his country, both in opposition and as a minister of the crown. An outstanding example was the part he played in the enactment of the Canadian Bill of Rights, under the right hon. Leader of the Opposition; extensive amendments to the Criminal Code revising the provisions dealing with capital murder; general penal reform; legislation dealing with obscene literature, and also as chairman of the Canadian team which negotiated the Columbia river treaty.

It is a great honour for me, Mr. Speaker, to follow in the tradition which Davie Fulton has established, and to be a member of the twenty sixth parliament. It was an honour for me 18 years ago to nominate him as a candidate in Kamloops riding, and it was an equally great honour for me to have him return the compliment and nominate me in that riding three months ago. Needless to say it is also an honour for me to have him as a guest in the gallery today.

Some hon. Members: Hear, hear.

Mr. Willoughby: Mr. Speaker, although I was sad to leave Kamloops at this time, the loveliest time of the year, I must admit I had a most enjoyable trip on the C.N.R. I did not hit a Liberal constituency until nearing northern Ontario.

As I look across the house at that attractive horizon over there, I regret I cannot agree with the charming and hon. member for Northumberland (Miss Jewett) who, in moving the address in reply to the speech from the throne, said we should get the economy rolling. What we must do is keep the economy rolling as it is now. If there is anyone here who has any doubt about that, I issue an invitation to visit my constituency of Kamloops. Never has there been such activity and feeling of well being there as that experienced during the past few years.

Mr. Gregoire: Because you have a Social Credit government in the province.

Mr. Willoughby: It did not give us a 92 cent dollar. The ranching, mining, lumber, building and tourist industries are all thriving

and I am confident this is the general situation throughout Canada. Therefore I reject the suggestion that our economy is not already rolling. What I do suggest is that we keep it rolling, by co-operation in this house of minorities.

While I was listening to the speech from the throne I was gratified to note what a high regard the Liberal government has for Conservative party policies and principles. Imitation is the sincerest form of flattery, and when it is done on this scale it borders on adulation. I was delighted to discover how much the government learned during its years in opposition. Therefore, on our part, and speaking particularly on my own behalf, I say that in the days to come we will no doubt be able to support many of the policies outlined in the speech from the throne because so many of them are directly derived from the policies of the previous government.

However, there were some omissions from that speech, one example of which was that there was no proposed action regarding a national medicare plan, in which I, as a member of the medical profession, am deeply interested. Many items were conspicuous by their absence, but I hope this may be corrected as the session proceeds. While I came to the house to be critical in a constructive way of the government's action and legislation which I may consider lacking, I also come in a spirit of co-operation, a spirit which the last parliament so sadly lacked. I stand to support strong legislation introduced by the government. Indeed it is our responsibility to do so, but in turn we expect the government to be responsive to constructive and indulgent criticism, and to ensure that the legislation proposed is respected in every detail. There should be no need to remind the government that every member of the house is a legislator, and that their views should be given proper and fair consideration.

I should like to deal now with four items about which I am particularly concerned, and which were dealt with inadequately or not at all in the speech from the throne. Brief mention was made about assistance for the completion of the trans-Canada highway. This, of course, is a continuation of the policy of previous governments, but there was no mention of any move to establish a national highway system or to bring about the formation of a national highways policy. This, Mr. Speaker, you will recall is something which the Conservative government had included in its program for Canada, and I would urge the present government not to hesitate to follow that lead, having done so in so many other ways.

It was a Conservative government which completed the first railroad across Canada and a Conservative government which ensured that this country would have a trans-Canada highway as a link from the Pacific to the Atlantic. I hope the new government will learn from such examples and begin working on the formulation of a national highways policy, recognizing the primary jurisdiction of the provinces over highway construction. It is going to become more and more necessary to establish some procedure of co-ordination among the various highway programs in order to bring about a proper system as soon as possible. As Canada grows, and as the provinces continue to build more and more highways, it is important that we should soon decide on co-ordination of the provincial highway programs, and that consideration be given to completion of a second trans-Canada highway.

Highways are not only the heart, arteries and lifeblood of modern transportation, but they are like a roll of beautiful ribbon; as they unravel they carry with them new populations, new industry, new employment and new prosperity. Never was this better demonstrated than since the opening of the Rogers pass route last year. As a specific proposal I would urge this government to include the Yellowhead highway pass in the scheme I have suggested for a national highway system. Its benefits would equal those already realized by the completion of the Rogers pass route. I am not suggesting, of course, that the federal government try to do this alone, but I do suggest that at the earliest possible time the federal government call together a conference of provincial highway ministers under the chairmanship of the federal Minister of Public Works (Mr. Deschatelets) to discuss this very important question.

There was mention of the Columbia river treaty. I listened with great interest to the hon. member from Kootenay West (Mr. Herridge) when he spoke on this important subject on May 24. He would suggest that radical changes are necessary to make this agreement acceptable. Well, Mr. Speaker, I am not an engineer, but I am prepared to accept the reports and agreements devised by the best engineers of both Canada and the United States who, after 17 years of negotiations, arrived at the most acceptable solution to all concerned. In any such negotiations one side cannot have it all its own way, but the treaty as outlined today is the most acceptable to all parties. I feel it is vital that parliament ratify the treaty in its present form, and as soon as possible.

I note that the Prime Minister is to meet the premier of British Columbia to discuss this matter. I wish him luck at this meeting,

and I fervently hope that it takes place. The premier has already demonstrated a distressing habit of forgetting appointments. At this meeting these should be no backing down before the connivances of Mr. Bennett, and connivances there will be. It is the first responsibility of the government to protect Canadian resources, and any suggestion of bowing to the pressure of Mr. Bennett would be an abrogation of that responsibility.

May I urge, therefore, that the federal government stand firm on the Columbia river treaty as it was signed, because it is vital to the future development of British Columbia. I understand from a radio news broadcast the other evening that the Minister of Forestry (Mr. Nicholson), whose opinion I respect, stated in Vancouver on Friday last that no radical change in the treaty is anticipated or necessary. At least these words are encouraging.

Mr. Speaker, I want to bring to the attention of the government the absence of any reference to a policy regarding feed grain assistance for British Columbia. This, you may recall, was included in the program devised by the former minister of agriculture. This is important to the ranchers and farmers of British Columbia. At the present time beef ranchers in our part of the country are compelled to ship their range cattle to the prairies for market processing, instead of bringing the grain from the prairies to the interior of British Columbia, because of the high cost of feed grain purchased through the wheat board. I therefore want to impress upon this house the need for the introduction of a proper policy in this regard in the immediate future.

Finally, Mr. Speaker, I want to bring to the attention of the government the complete lack in the throne speech of any indication that the government recognizes the need for forward looking policies to deal with the problems of our Indian citizens. I hope that the Indian claims commission proposed by the Conservative government will be established even though there was no reference to it in the throne speech. Our Indian citizens need our help so they can share fully in Canada's growth and development.

I assure you, Mr. Speaker, that I do appreciate the opportunity provided for me to speak, and I hope the suggestions I have had to offer and will offer in the future will not be considered as frivolous or unjustified but that they may be of assistance to good government in our country. As I attempt to follow my predecessor's example, I feel it is my duty to speak out fearlessly in the interests of Kamloops riding and the interests of Canada. In return I anticipate just and courteous consideration from all departments of this great national assembly.

[Mr. Willoughby.]

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, may I first of all congratulate you on your elevation to the office of Speaker. By long training and your own natural imperturbability we are all agreed that you will discharge your responsible functions judicially and with a sense of fairness and impartiality.

We have had two outstanding speeches, by the mover, the hon. member for Northumberland (Miss Jewett) and the seconder, the hon. member for Lotbiniere (Mr. Choquette). To these hon. members I would add my words of praise and congratulation. Also, I am sure we all enjoyed the speech to which we have just listened, and particularly the fine sense of humour which the hon. gentleman displayed as he made his argument. He referred to the presence in the gallery of the former minister of justice and now the leader of the Conservative party in British Columbia. I join with him in the tribute he has paid and to the welcome he has extended to this former hon. member of the house.

Some hon. Members: Hear, hear.

Mr. Martin (Essex East): I may perhaps be permitted to note that in the opposite gallery is sitting another former minister of the crown, a distinguished and gallant gentleman, Hon. Milton Gregg, former minister of labour.

Mr. Speaker, I now wish to make a report on the ministerial meeting of NATO which was held in Ottawa last week. The Minister of National Defence (Mr. Hellyer) and I had the responsibility of representing the government of Canada at that meeting. Because of the importance of the subject matter, and in accordance with the convention which attends the delivery of a statement of this importance by a minister of the crown, I propose to follow closely what I have prepared for this particular occasion.

May I say at the outset that it was an excellent idea, in my judgment, to have Canada play host to this meeting. Thanks to the superb physical arrangements made through the co-operative efforts of various departments of government under the able chairmanship of General Fin Clark, chairman of the national capital commission, a most favourable impression, I am sure, has been made upon our distinguished visitors. I cannot too highly commend those who were associated with this preparatory work over a period of some four months.

In addition, of course, the Minister of National Defence and I were afforded an opportunity to meet our opposite numbers both during and before the ministerial meeting itself. I had valuable talks in my office in the four days preceding the meeting with secretary of state Rusk, foreign minister Lord Home, and with the foreign ministers of France, M. Couve de Murville, and of Germany, Mr. Schroeder; that is, with the leading members and representatives at this meeting of those countries with which we have the most intimate relations. Of course I should add, so that I would not in any way discriminate, that I was privileged to have important and useful talks with the foreign ministers of Holland, Belgium, Portugal, Turkey, Greece and Denmark. We were able to review not only matters which would be brought before the meeting, but also questions of bilateral concern. In ordinary circumstances it might have taken many months to establish direct personal contact with these foreign ministers or, in the case of the Minister of National Defence, with ministers of national defence from the 14 countries which attended the ministerial meeting along with Canada. All this, I must say, is due to the forethought of the Leader of the Opposition (Mr. Diefenbaker) in having invited the conference to Ottawa last December.

(Translation):

During the private talks I had with our distinguished visitors, I felt that they were deeply conscious of the fact that the success of the alliance would in the end depend on our being able to combine the efforts of western Europe, and North America.

In years gone by, such a partnership could exist only through mutual understanding between Great Britain and the U.S.A. Canada has played a useful role in that field at various times. The happy relations between London and Washington are the results of such steps.

Now that Europe has recovered from war devastation, the Atlantic community must be given a broader basis.

As a North American country which has received a precious inheritance and two cultures from its motherlands, Canada can once more be useful in exerting a discreet influence to promote even greater understanding among the members of the Atlantic alliance.

(Text):

Mr. Speaker, this meeting was timely in another sense. It gave the government an opportunity to remove the doubts which continued to linger in the minds of our allies concerning the position of Canada with regard to the commitments undertaken on behalf of our armed forces by the former government. To that end the Minister of National Defence took the opportunity on the first day of the conference to set the record straight by confirming to the council in ministerial session the information which had already been given to parliament two days before by the Prime Minister, namely that negotiations had been resumed with the United States relating to defensive nuclear weapons systems which had been the subject of previous discussions with the United States.

I want to make perfectly clear that Canada has undertaken no new commitments at the meeting just concluded. It is, however, the policy of this government to take the steps needed to make it possible for the Canadian forces to discharge the role accepted for them by the previous government. This was as long ago as 1959. That role would not disappear if Canada failed to carry it out; all that would happen would be that some other member or members of the alliance would have to shoulder the obligation in our place.

The kind of forces Canada agreed to contribute were to meet part of an established NATO military requirement, and I am sure that no hon. member of this house would wish Canada to be placed in the position where it would be foisting upon others a task voluntarily assumed by Canada through the former government as part of the collective defence effort of the alliance. I stress the word "voluntarily" because the military contributions to meet agreed force requirements were assumed as a result of bilateral discussions between the NATO military authorities and individual member states, and not all of them saw fit to undertake a nuclear role. I will have more to say a little later in connection with this aspect of the NATO meeting.

Now, sir, the spring ministerial meeting of the NATO council is normally attended by foreign ministers to review international developments and appraise the state of the alliance. Defence ministers also participated at this time because there were on the agenda items affecting the organization of the deterrent forces at the disposal of the alliance. Hon. members will doubtless have seen the communique issued at the conclusion of the meeting last Friday noon, but for the permanent record I would ask, Mr. Speaker, for leave of the house to have printed in *Hansard* the text of the communique as released in both French and English.

Mr. Speaker: Is it the pleasure of the house to accept this suggestion?

Some hon. Members: Agreed.

[*Editor's note: For communique referred to above see appendix.*]

Mr. Martin (Essex East): The decisions on defence matters taken at the meeting have attracted a great deal of public notice, virtually to the exclusion of all else. I do not wish to underrate the significance of those decisions, for they represented a further step in the integration of elements of the deterrent forces which should go some distance toward improving their co-ordination and control. But I would also draw the attention of hon. members to the fact that the emphasis in the communique was on peace. The communique opened and closed on that note. This is as it should be, for ours is a defensive alliance, the military activities of which are maintained solely in the interests of the integrity of the member states and therefore of the peace of the world. The whole underlying concept of NATO is the prevention of war, and there is full realization within the alliance that peace cannot be ensured by military power alone. So the council has reasserted its desire to seek equitable solutions by negotiation, and it is hoped that the communist world will come to see that they too have no less an interest in such settlements.

Some of the areas of continuing concern—Berlin, Cuba and Laos—are named in the communique and were indeed thoroughly discussed in the private sessions of the council. I reported to the council on the unsatisfactory situation in Laos from the viewpoint of one of the members of the three-nation international supervisory commission. I expressed our determination to continue to press for greater freedom of action and movement for the commission, and I am happy to know that the three members of the commission have joined together in their most recent report.

Too often in the past the council has met in the shadow of crisis. Last December it met in the immediate aftermath of Cuba. The preceding year it was the wall in Berlin. This year we were faced with no immediate threat of armed aggression affecting the treaty area directly, and this fact was noted in our review of the international situation. On the other hand the absence of war or the threat of war is a long way from the kind of peace we seek, and we were also forced to recognize that long standing issues such as were named in the communique remain unresolved and are a continuing source of grave concern. The causes of the present lull well may lie within the Sino-Soviet bloc itself, although no one can predict how long this state of immobility in east-west relations may continue.

There was complete agreement upon the importance of maintaining continuous contact with the Soviet union in an effort to resolve issues which might lead to war and ensure, at the very least, that neither side should misunderstand the intentions of the other.

In this connection the decision in principle which has been reached at Geneva between the United States and the Soviet union to establish direct communication between Washington and Moscow was welcomed by the Canadian delegation as one which should help to reduce the risk of war by miscalculation.

That agreement was one of the useful by-products of the 18-nation disarmament conference now meeting in Geneva. As I had occasion to say in one of my interventions before the council, the outlook at the Geneva disarmament conference and the test ban talks is so far from encouraging that it would be unrealistic to slacken our defence efforts. But I noted at the same time that the implications in both military and financial terms of an unrestricted arms race are such that we simply could not relax our efforts to negotiate a balanced reduction of armaments and armed forces provided we can secure the proper safeguards. To abandon this search would be a counsel of despair, although I have no illusions about either the ease or the speed with which results may be achieved.

There was unanimous support for the continuation of efforts at Geneva to bring about general and complete disarmament by stages under effective international control and international safeguards. Even though real progress in the scaling down of arms may be some distance away—and I believe this is the case—there are related areas such as the communications link which can substantially reduce the risk of war by accident or miscalculation and thereby contribute to the maintenance of peace and security. Similarly, on the subject of the nuclear test ban, I welcomed on behalf of the Canadian delegation and the government of Canada the recent Anglo-American approach in Moscow in an attempt to break the current deadlock. I made clear the Canadian view that there must be unremitting effort to bridge the narrow gap between east and west on this issue. Verification is, as it has so often been, the root of the trouble.

In our appraisal at the council meeting of the state of the alliance a good deal of attention was paid to the improvement and intensification of timely consultation on political developments. This is a subject on which members of this government have had a good deal of experience, in that the Prime Minister was intimately associated in 1955

with the specially appointed group which originally set up the procedures and basic rules which have been followed in the alliance ever since. Since taking over my responsibilities I have found that impressive strides have been made in this field in the intervening years, but in that same period there has been a corresponding growth in the scope and complexity of the problems facing the members of the alliance which demands an even more intensive effort in this direction. I took the occasion, in reviewing this question as seen from the Canadian viewpoint, to make clear that any shortcomings there may have been on the Canadian side would be removed.

I should like to make clear to the house, as I did to our NATO colleagues, that the Canadian government looks upon its contribution to NATO, and indeed regards the military role of the alliance itself, as part of a broad international network of peace keeping activities. As the Prime Minister indicated in his remarks at the opening ceremony, the interdependence of all nations is a distinctive characteristic of our era. It has come to be recognized that a local war, whether in Indo-China or Africa, if not contained, can have as grave consequences as any outbreak of hostilities in the more familiar trouble spots of direct concern to NATO. Moreover, participation in many of these peace keeping responsibilities outside the NATO area is, by tacit consent, denied to the major powers since one of the primary objects is to prevent fighting without inviting the even greater danger of a great power confrontation. For this reason it has been and continues to be Canadian policy to assume international peace keeping obligations both inside the United Nations, as in Gaza or the Congo, and outside, as in the Indo-China commissions. Through these activities we have a constant reminder that the NATO alliance has to be seen in a broad world perspective.

To place NATO in global context in this way, is not, however, in any way to deny that the central challenge to today's world is between the closed totalitarian regimes of the communist bloc and the free societies of the west, and that NATO is the instrument on which we all rely to meet that challenge. One of the principal subjects with which we were concerned at this meeting was the possible nature of that challenge, and to ensure that NATO forces should be so equipped as to be able to offer a range of responses appropriate to any aggression affecting the treaty area. In this connection two decisions of importance to Canada and to the alliance were taken, both of which were noted in the communique.

The first was concerned with the ability of the alliance to deal with the obvious threat posed by the Soviet union's mounting arsenal of nuclear weapons. Paragraph 8 of the communique described decisions taken by the council to regroup and organize certain elements of the nuclear deterrent forces under the command of the supreme allied commander Europe. These forces will henceforth include the whole of the United Kingdom V-bomber force and three United States Polaris submarines. This formidable new strength to be at the disposal of SACEUR will be added to certain tactical nuclear forces already in being or programmed and already assigned to him. This decision was of direct relevance to Canadian forces in Europe for, by indicating our willingness to arm the Canadian air division with the weapons which will enable it to discharge the strike role to which it was committed by the previous government, the way has been opened to permit Canada to play its part in the new arrangements.

Let me make it perfectly clear this decision in no way makes Canada a member of the nuclear club in the sense of owning or manufacturing nuclear warheads. Indeed, the decisions taken at this meeting affecting the organization of the alliance's existing nuclear forces are entirely consistent with resolutions unanimously adopted by the United Nations to avoid the further spread of nuclear weapons under independent national control. Custody of the nuclear armament of all the forces involved, with the exception of the United Kingdom bombers, will remain as before with the United States. I also want to make it clear that there is no new assignment involved for Canadian forces, as they were already assigned by the previous government to SACEUR's command. These arrangements were welcomed by the Canadian delegation as steps which, through the greater sharing of knowledge and responsibility for nuclear defence, will help to knit the alliance together and, in the words of the communique, "improve co-ordination and control of its nuclear deterrent forces".

Mr. Diefenbaker: Would the minister allow a question at this stage? Without in any way admitting this question of commitment, I ask the hon. gentleman was Mr. Justice Thorson right in the statement he made two days ago that this government has arranged, or has agreed, to the arming of the F-104's with one megaton bombs, in other words bombs equivalent to one million tons of t.n.t. each?

Mr. Martin (Essex East): Mr. Speaker, the Leader of the Opposition says that Mr. Justice Thorson has made this statement, which I have not seen. He is entitled to his opinion, of course. This is a free country.

Mr. Diefenbaker: Your former colleague.

Mr. Martin (Essex East): All I can say is that the nuclear club does not warrant the interpretation which critics of the present government's policy suggest. All I can say is that this government has merely acted in respect of a commitment which was made by a government headed by the right hon. gentleman.

Mr. Diefenbaker: Mr. Speaker, I am not accepting that at all. Repetition does not make it factual, because it has been denied more than once. I am asking the simple question. Is it the intention of this government, and was it so made clear to its allies in NATO at this conference, that the 200 Canadian F-104's will be armed with one megaton bombs? That is all I am asking.

Mr. Martin (Essex East): The hon. gentleman has listened to my statement. He will follow what I am going to say, and then he will have to draw his own conclusion. All I can say is that the government proposes to live up to a commitment made by Canada—

Mr. Diefenbaker: Not at all.

Mr. Martin (Essex East): —a commitment established by a government of which my hon. friend was the leading figure. That is the fact. We recognize the desirability of making NATO an effective instrument, in connection with which we propose at this time to see to it that that commitment is lived up to.

Mr. Diefenbaker: There was no such commitment.

Mr. Martin (Essex East): The steps I mentioned earlier should be seen as part of the democratization of the alliance with respect to the exercise of its heavy responsibilities in the nuclear field.

The second decision of importance is recorded in paragraph 9 of the communique, where the need to achieve a satisfactory balance between nuclear and conventional forces was recognized. To this end the permanent council has been instructed to undertake, with the advice of the NATO military authorities, a comprehensive review of the interrelated questions of strategy, force requirements and the resources available to meet them. I have already mentioned that NATO must be able to offer a range of responses to any challenge, and this means that if that challenge is conventional then the conventional means must be available to meet it without premature recourse to nuclear weapons. At the same time the nuclear strength must be there to deter any possibility of a direct challenge with nuclear weapons.

The cost of maintaining the correct balance must be shared equitably amongst the members of the alliance and must be geared to the capabilities of each, having regard to its resources and its other military obligations.

For example, Canada has heavy responsibilities in North American defence, in NATO and in the United Nations and in other peace keeping activities. Our contribution too must take into account these responsibilities and the resources we have to meet them, and our planning must be projected as far as possible into the future if we are to make the most useful contribution to world peace in all these fields.

As members of the house know, the Prime Minister has announced in the house, as the Minister of National Defence did in the council, the government's intention to conduct a national review of defence policy and to set up without delay a parliamentary committee as part of that process, and a motion to that end will shortly be introduced. Our national review will thus go forward in parallel with the NATO review, a fact which will be helpful in considering the full range of our defence obligations. The outcome of these two reviews should enable the government to form considered judgments on the extent to which the present allocation of the Canadian defence effort should be continued or adjusted.

There has been a good deal of public speculation, Mr. Speaker, as to why there was no mention in the communique of another project in the nuclear field which is known to have been under active consideration in the alliance. I refer to the so-called multilateral force and, in particular, that aspect of it which would consist of a mixed-manned fleet of Polaris carrying vessels. This question was not on the agenda because the special mission headed by United States Ambassador Livingston Merchant has not yet completed its visits to all the capitals of the alliance. I wish to say no more at this stage than that the Canadian government hopes to receive Ambassador Merchant's group and himself in Ottawa some time during the first week in June in order to inform itself better of all the ramifications of this proposal.

By any reasonable test, Mr. Speaker, the Ottawa meeting was one of the most successful the alliance has had.

An hon. Member: That is not what the Ottawa *Citizen* said.

Mr. Martin (Essex East): I noticed what the Ottawa *Citizen* said, but unfortunately that distinguished journalist was not present at the meeting. It is easy, and I regret to say fashionable, to emphasize the centrifugal tendencies in NATO, tendencies which are bound to manifest themselves in any organization of free and sovereign states whose cooperation has so succeeded as to bring a measure of relief from external pressures. It is precisely because NATO has succeeded in

deterring aggression and promoting the security of its members that they can afford to indulge in the luxury of some dissent, precisely inherent in the fact that NATO is made up of freedom loving states.

Mr. Speaker: Order. I regret to interrupt the minister, but his time has expired.

Some hon. Members: Carry on.

Mr. Martin (Essex East): I will just be a moment. I thank the house. But this dissent does not extend to the basic purposes of our alliance, nor does it diminish in any way the collective determination to preserve the common heritage.

This meeting of the council had before it certain matters for decision designed to reinforce the enduring character of the partnership between western Europe and North America. It took those decisions unanimously and in a spirit of harmony. It is wrong to say NATO is in a state of disarray. The assembled ministers were responding in a tangible way to the keynote address of one who has from the beginning lent inspiration to the alliance. I refer to the Prime Minister of Canada. The wise counsel he gave in opening the meeting, his assessment of NATO's achievements, his warning of the perils that lie ahead and his plea for unity created the climate for a meeting that will be recorded, I believe, in the history of the alliance as another milestone in Atlantic partnership.

Mr. Olson: I should like to ask the Secretary of State for External Affairs a question. Now that he has been in office for a number of weeks and has had access to some information that I am sure he did not have access to before, may I ask him whether in his opinion the expenditure for the Starfighters, Voodoos, Bomarcs and Honest Johns would be wasted or useless without nuclear devices?

Mr. Martin (Essex East): My hon. friend surely has answered his own question. In the event of conflict, which we all hope will never eventuate, what good would an airplane be that carried no weapons at all?

Mr. Muir (Lisgar): I should like to ask the minister a question. Now that he has made his report upon the meeting, would he care to tell us what happened at the NATO conference?

Mr. Martin (Essex East): I will be glad to tell my hon. friend what happened. The NATO meeting represents the only way by which this country, in concert with other freedom-loving nations of the world, challenged by the greatest peril in human history, can defend itself. It seems to me that it is not within propriety that an hon. gentleman should use the form of interrogation which was used, seeking to belittle an organization designed to preserve the freedom of this country and the freedom of the world.

Mr. C. S. Smallwood (Battle River-Camrose): Mr. Speaker, in rising to take part in this debate I should like, first of all, to congratulate you and the Deputy Speaker as well as the chairman of committees on your appointment to your high posts. I am sure that you will all fill these posts with sincerity and fairness to all members of this house. I should like also to congratulate the mover (Miss Jewett) and seconder (Mr. Choquette) of the address in reply to the speech from the throne.

I did not intend to get into an argument with the Secretary of State for External Affairs (Mr. Martin). However, after listening to him split hairs for the last 30 minutes regarding nuclear weapons, and refusing to answer the questions of the Leader of the Opposition (Mr. Diefenbaker), I am reminded of a quotation I should like to put on the record. There are a great many quotations I could put on the record, but none is better than the one I have in my hand to illustrate to the people of Canada how the Liberals have changed their mind about nuclear weapons. This is a quotation attributed to the Nobel peace prize recipient, the Right Hon. L. B. Pearson, and it appeared in the United Church *Observer* for October, 1961. It reads as follows:

> We should not join the nuclear club by acceptance of nuclear weapons under national or so-called joint control. This would add little security to Canada or to the alliance and would be an abandonment of the stand we have taken at the United Nations and elsewhere, that the number of states possessing nuclear weapons should be limited rather than extended. Canada, if she became a nuclear power, would have far less influence and authority at the United Nations than she has had in the past—

This was the stand taken in 1961. Now, the big-wigs of the party have changed their minds. They keep changing their minds so often that we do not know where we are, and I do not believe they do either.

Now, Mr. Speaker, the election resulted in a new government taking office. I do not feel there was any need for that election because we had a good government in power. If you go back and look at the record you will find, as the Ottawa *Journal* did, that national production in 1962 had climbed 8 per cent to a peak of $40,400 million, the greatest increase in any western country during this time. After years of trade deficits, we achieved a favourable trade balance. Foreign exchange reserves in U.S. currency reached a total of $2,700 million, the greatest reached in years.

Trade had reached an all-time high; manufacturing had jumped by 8 per cent, construction by 8.2 per cent and capital investment by 4.8 per cent. This editorial concludes by saying:

> We must all hope that Mr. Pearson does well; to wish him well is but to wish well for Canada. But for truth's sake, if for nothing else, let Mr. Pearson and his friends stop trying to give the impression that they took over a broken down Canadian economy.

They did nothing of the kind. They wanted to obtain power. I could refer you to an editorial that appeared in the Toronto *Globe and Mail* which reads:

> The Liberals went into opposition in 1957 after 22 years in power. They had in their ranks a number of former cabinet ministers who had the opportunity to offer informed and instructive criticism; who had the opportunity over the past four years to devise detailed alternative policies to those proclaimed by the government.
>
> The Liberal leaders chose not to use their opportunities in a serious or responsible manner. Instead, they chose to offer negative and destructive criticism, to cry gloom and doom for the country, and to spend the rest of their time fashioning new planks to fasten on the shaky structure of the Liberal welfare state.

The Liberals came here after the 1962 election with one objective in mind and that was to force an election as soon as they could. They could not do this themselves, but needed the support of the other two groups we have in the corner. During the campaign, we heard the Social Credit members talking about Canada being ruled by the Liberals and the Conservatives. The other day in this chamber I heard one of the New Democratic members stand up and chant the same old cry that for 90 years Canada had been ruled by the Liberals and the Conservatives.

An hon. Member: Right.

Mr. Smallwood: I am not ashamed of this because Canada is the best country in this world and I am proud to be a Canadian. This is the reason I am here today, because I do not like this poppycock. These idealists do not know what they are talking about. We have no room in our country today for splinter parties. What we need is a stable government.

An hon. Member: You mean like we have in British Columbia.

Mr. Smallwood: You will have your chance to talk. If you do not say any more than you are saying now, you won't say very much. We hear these little Social Credit boys interjecting. They do not like to hear the truth, but they are going to be told the truth in a few minutes.

An hon. Member: That is good.

Mr. Smallwood: I turn now to this Social Credit government. If they want to listen, I will talk to them. The members of this party do not know who is leading them. They do not know where they are going.

Mr. Gregoire: We are going somewhere.

Mr. Smallwood: You are going downhill, that is where you are going.

I recall that on February 4 the hon. member for Red Deer (Mr. Thompson) stood up in this house at six o'clock and said we could not stand an election in this country. He went out and had his supper. I do not know what he ate or what happened, but evidently he decided we should have an election. I will tell you what I think happened. I think the leader from Quebec said, "I will bring back 60 seats". The leader from the west said, "I will bring back 40 seats". They thought they were going to bring back so many they were going some place, but they went downhill. They brought back fewer seats from Quebec, and the few from the west just managed to hold on.

Mr. Patterson: You are now in the opposition, yourself.

Mr. Smallwood: They went out on the campaign trail and referred to the fact we had not had a budget. This was the reason the situation could not continue. They went out on the campaign trail, and they talked about the debt of the country. A few minutes ago I heard an interjection about Alberta and British Columbia. If they want to know the truth, they might as well have it right now. This oil boom poured more than a billion and a half dollars into Alberta's treasury. Anybody could run a country—I am sorry to see the hon. member for Red Deer leaving because I am not through yet. Anybody could run a country if the money from oil wells poured in like that.

Mr. Gregoire: You speak too fast.

Mr. Smallwood: You are like a little duck. You are either squawking or running around looking for some place to lay an egg.

Let us look at British Columbia. Mr. Speaker, under the Social Credit government in B.C. provincial debt rose from $218 million in 1952 to $1,260,000,000 today. That is what Social Credit is doing in British Columbia.

Mr. Leboe: Look at their budget. It says no debt, no interest.

Mr. Smallwood: Why, you Social Crediters can make figures read any way you like. During the election campaign the hon. member for Red Deer (Mr. Thompson) visited my home town. About 400 or 500 people attended his meeting, and he went back to Red Deer

and told his constituents that he had the constituency of Battle River-Camrose won. One of my friends attended that meeting, and I asked him what the Social Credit leader had to say. He replied "I listened for 40 minutes; when I left I was still waiting for him to say something." Only last week the hon. member for Red Deer treated the house to one of his old, warmed over speeches.

During the election campaign the hon. member for Red Deer went out to Vancouver and said something about Premier Manning being included in the federal cabinet if Social Credit won the election, but on March 26, 1963, there was this report in the Edmonton *Journal*:

> Thompson claim said unfounded—Premier E. C. Manning termed a report by national Social Credit Leader Robert Thompson as "wholly unwarranted and without foundation."
>
> Mr. Thompson said Sunday in Vancouver at a press conference that Premier Manning would likely be in the cabinet if his party won the April 8 federal election.
>
> Mr. Manning told the *Journal* Monday: "I am certain Mr. Thompson had no intention of conveying the impression taken from his comments at Vancouver, as we have had no discussion on this matter."

Such was the irresponsibility of these people going around and making remarks like that, but this time the people of Canada showed that we have no place for splinter group parties in Canadian politics. I say to those on the left, move over with the Liberals, and to those on the right, move in with the Conservatives, and let us get ahead with the business of government.

An hon. Member: Look at your own party and the splinters in it.

Mr. Smallwood: Don't scratch your head, you may get some slivers. Mr. Speaker, the throne speech was nothing more than a warmed over edition of the policies introduced by the Conservative government. We heard an awful lot about the devaluation of the dollar, and I remember the hue and cry in 1962 on the part of Liberal front benchers when we devalued the dollar. They said it was a terrible thing; but on looking back I find that on September 16, 1939 and July 5, 1946 the Canadian dollar was devalued to 90.5 cents under the Liberal government. It was the same from 1949 to 1950.

Devaluation of the Canadian dollar helped the economy of our country, but it is interesting note in the Canadian *Liberal Challenge*, the newspaper put out by the Liberal party headquarters in December 1962, there was a question from the New York *Times* magazine which reads as follows:

> The ultimate humiliation came this summer when the government was forced to devalue the Canadian dollar. It was pegged at 92½ United States cents.

However I notice the Minister of Finance realizes now that it was a good move, and I am glad he is content to leave the dollar pegged where it is. That quotation from the New York *Times* magazine also said this:

> With winter, their hardest season, coming close, Canadians now wait to see how deep the economic crisis will cut and how severe austerity will be. They are resigned to higher prices as a result of the import surtax.

What happened, Mr. Speaker? The price of living in Canada rose slightly over 1.6 per cent since last fall, the smallest increase in the western world. They talk about the economic conditions of the country, but on February 13 last the Ottawa *Journal* had this to say:

> Mr. Pearson and his much-vaunted economic wizard, Mr. Walter Gordon used to talk about the decline of our gross national product. They are not talking that way now. The gross national product is on its way up now; for 1962 it is estimated at 8.2 per cent over 1961.

Elsewhere in the article it says:

> Well, only a few days ago President Kennedy produced facts to show that in the matter of economic stability Canada's 1962 record was better than "any other western industrial nation"—common market countries included.

When these people talked about doom and gloom they had no desire but to get back into power, regardless of the truth and regardless of what they put before the Canadian people.

They talked about unemployment. Well, Mr. Speaker, there was unemployment under the previous Liberal government. In fact I can quote from the "Western Canadian Lumber Worker" of November 1951 in which a Social Credit supporter said "5 per cent unemployment good for Canada".

> An unemployed level of 5 per cent of the working force would be a good thing for the Canadian economy, says E. W. Hinman, Alberta's provincial treasurer.

That is just one more example of irresponsibility on the part of those people. We have helped the unemployment situation and I only hope the Liberal government will bring in amendments to the Unemployment Insurance Act, because it is grossly unfair that people who do not wish to work can get unemployment insurance. However, the government has to have the support of the cities and municipalities in order to help clear up unemployment, and when I speak of cities and municipalities no better example comes to my mind than the city of Ottawa, where they hire women on the traffic squad. They putt up and down the streets on their scooters checking the meters and they stand out on the streets directing traffic. This is certainly no job for a woman. It does not add any dignity to the city of Ottawa and, above all, it is taking work from men; there are many

family men who could do this work and I am sure these women could find work more suitable to them than out directing traffic.

I am sorry the Secretary of State for External Affairs (Mr. Martin) has left the chamber because I wish to say I am a little concerned about the displacement of many people in government service. I am speaking of Liberal patronage, because that party has a great system for passing out patronage. We can remember how the only commissioner from western Canada on the veterans pension board was displaced not very long ago, but shortly after we came into power the inspector on the ships in Montreal was known to be in possession of contraband spirits and tobacco and I can remember all the fight we had from across the floor then.

Last year the former member for Assiniboia got up in this house and made a big speech about the P.F.A. political machine which the Conservative minister of agriculture was supposed to have. The hon. member must not have known very much about political machines. He should have seen the one the Liberals had before we got into power. I happen to know a man who attended a P.F.A. school in a town in Alberta. He said there were about 90 men there and the man in charge told them "You people are all good Liberals or you would not be here today." He told them to go out and take up the P.F.A. claims, but not to take more than eight, and to preach Liberal policies to the farmers when they were doing it. I hope the present government will not return to such low standards as that. They should be able to spread Liberal propaganda across western Canada without that and without using treasury money. In my constituency I have Liberals, Social Crediters and—no, I do not think I have any Social Crediters.

An hon. Member: Don't discriminate.

Mr. Smallwood: I am not discriminating; I want ability. I have Liberals and Conservatives taking up P.F.A., and if the Liberals try to fire all those people they will be firing all the people who used to support them.

My time is limited, Mr. Speaker, and I want to come now to agriculture. The minister is unfortunately not here today. I have with me a pamphlet entitled "Prosperity on the farm" and another entitled "Time for action", both published by the national Liberal federation. These are handy little pamphlets to carry around. The first one says, with regard to wheat, oats and barley, that a Liberal government will immediately bring in a price of $2 a bushel for No. 1 northern. They went across the country saying this and the Prime Minister promised the farmer $2 a bushel for his wheat. Now the 60 days of action have almost gone and I do not see any move toward keeping the promise they made. They promised a two price system under the unit quota. Before they go into that I hope they will give it a little study, because if they start paying out money under the unit quota they will see 25 per cent of the farmers getting 75 per cent of the money, and they will be neglecting the little farmer whose friend they are supposed to be. Therefore I hope they give these matters a little consideration before they go too far with some of their new ideas. This pamphlet also says that a new Liberal government would establish a higher initial price for oats and barley, which would be announced well before seeding. Well, they have not many members here from western Canada but I will tell them that a lot of oats and barley are going into the ground today. When is this going to happen? Probably five years from now. They will not be in power then.

We also see that they are going to appoint an associate minister of agriculture. I agree that they should appoint an associate minister of agriculture, but this idea of appointing a minister of agriculture for western Canada and one for eastern Canada is nothing more than trying to split the country down the middle. It just will not work. It is fine to have one minister of agriculture for Canada and an associate minister to work with him, but if they are going to try and split Canada down the middle by having a minister of agriculture in the west and one in the east, it is just not going to work.

I know the west was neglected for 22 years by the Liberals. Sometimes I blame them and sometimes I do not, because I look back and see that we sent C.C.F'ers and Social Crediters from western Canada for 22 years, and I wonder whether I should blame them. Today western Canada has sent some farmers to put through a good farm policy. That is what the people of this country want. We have to get back to a stable government. We went out and sold our wheat when the Liberals were in power. The minister of trade and commerce in the Liberal government had the attitude, "We have the wheat. If you want it, come and get it". That was the attitude of the Liberals, but our attitude was to get out and sell the wheat. We passed the Export Credits Insurance Act which put money into the hands of the department and enabled them to sell our wheat. We got out and sold wheat to China. We were condemned by some hon. members who said it was immoral to sell wheat to China. It is not immoral to sell food to any country that is starving.

I say to the Minister of Trade and Commerce (Mr. Sharp), send your delegations out and sell our wheat. If you keep prosperity

in western agriculture, this will bring prosperity to the manufacturing communities in the east, because the western farmer will go out and buy expensive machinery, every piece of machinery that he requires for his farm in western Canada. This will in turn bring more employment to eastern Canada. Therefore I hope that in the next few weeks we will see some good agricultural legislation come before this house. If it is good for the welfare of the farmers of Canada, I will be one of the first to support it.

Mr. B. S. Mackasey (Verdun): Mr. Speaker, it is traditional, of course, that I should join the other hon. members who have spoken in this debate on the speech from the throne in offering you my congratulations. I do so with the knowledge of the help, guidance and assistance which you so kindly accorded to me when I came into the house for the first time last June. I would like, also, to take this opportunity of congratulating the mover and the seconder of the address in reply to the speech from the throne. I was happy to see them continue in the same fine tradition that characterized the speech of the mover last session, the hon. member for Waterloo South (Mr. Chaplin).

If I may be excused, Mr. Speaker, I would like to cross the line of party politics for the moment and voice my regret at the absence from this hallowed chamber of many of the fine speakers who contributed so ably to the debates last year. I think I perhaps listened to more speeches than the average member. I miss the gentle responses of the former secretary of state for external affairs, and I miss more than anything, I think, the clear logic and to-the-point speeches of the then hon. member for York South. If I in no way share the political philosophy of that hon. member who is no longer in the house, I at least admired his contribution to the House of Commons in the short time he was here.

Mr. Speaker, may I also draw the attention of all hon. members of this house to the remarks made the other evening by the hon. member from Winnipeg North Centre (Mr. Knowles) pertaining to the conservation of the rights and privileges which we have acquired in this House of Commons through so many years of trial and tribulation. I hope that in our haste for parliamentary reform we do not substitute speed for efficiency.

I think there is one thing this parliament can do without. That is a continuation of the vicious anti-American campaign that characterized Tory efforts in the last election. I think many of the speeches from that side of the chamber so far have indicated that they intend to carry that anti-American campaign into the house. I think this type of action is but a reflection upon the integrity of the Prime Minister (Mr. Pearson), and the constant references to his trip to Hyannis Port and to the United States press, radio and television is also an insult to the people of Canada, who showed clearly in the last election that they want no part of any anti-Americanism in this house.

Mr. Speaker, there has also been more than a little reference to the 60 days of decision. I think this is no doubt the role of the opposition. But I think, the very fact that we are here so soon after the election should be taken as some indication of good faith on the part of the Prime Minister. Certainly if the Minister of Finance (Mr. Gordon) succeeds in bringing down a budget within 60 days, as he has already promised, he will have done more than the previous minister of finance was able to do in two years.

Mr. Speaker, perhaps I may be permitted for just a moment, before discussing the speech from the throne, to say a few words on behalf of the community which I represent. Like so many others represented here in the house, my community could, I suppose, be labelled bilingual. We have no agricultural content and no industrial complex, but we rank in population with a third of the province of Quebec. We have acquired the reputation, Mr. Speaker, of being perhaps the most community-minded city in Canada. Certainly the No. 4 Legion branch has carried on in that tradition, and as I mentioned in the address in reply to the speech from the throne last year we are very proud of the fact that we in the city of Verdun can boast that we had the highest rate of voluntary enlistment in the Canadian army of any city of comparable size during the last war. Just a few weeks ago we were one of the few cities across Canada to mark the commemoration of the battles of Ypres in appropriate style.

I may say that I, like other hon. members who have already spoken, would like to see medicare introduced, and introduced soon. I should like to see the Liberals maintain their promise of university grants to leading students. I am aware of the fact, however, that all cannot be accomplished at the first session, but I am sure that we will be constantly reminded of this vital social legislation which we need so badly.

In my own community, Mr. Speaker, there is one piece of legislation sadly needed, and that is some federal program to provide housing for our senior citizens. I like to use the term "senior citizens" when talking of our aged, for they are precisely that. They are the people who have made their contribution to this country of ours. They are not looking for handouts but simply for some

way to exist, at the same time retaining their dignity and pride. I think that in my community at least private industry has failed in regard to providing housing for our senior citizens.

Mr. Speaker, there is another item in the speech from the throne which is of concern to me. I am referring, of course, to the establishment of a commission on biculturalism and bilingualism. The hon. member for Îles-de-la-Madeleine (Mr. Sauve), whom I admire and respect greatly, made a very fine and moving speech on this subject last week. I would urge all hon. members who were not present to read *Hansard* and his interpretation of the problems that are confronting the province of Quebec. He made no attempt to assess the blame for this unhappy situation; rather he simply emphasized the facts as they existed. He has suggested, and rightly so I think, that the economic plight of the average citizen of Quebec as compared with that of, for example, Ontario was one of the underlying factors in the unrest in Quebec today. I do not attempt to place the blame for the unrest in Quebec on the shoulders of any particular party represented in this house; I think we are all to blame.

Mr. Speaker, I was therefore quite happy when the Prime Minister (Mr. Pearson) lived up to his promise made last fall of establishing such a royal commission. I think it was the first and the most logical step suggested in this house to recognize the problems of French Canada. I was hoping, Mr. Speaker, that such a commission might bring to the surface some of the subtle differences which have caused friction in that province; and I speak with some little concern and knowledge of the matter for I am one of the many hundreds of thousands of English speaking Canadians who dwell in the province of Quebec. I was born, as a matter of fact, in the cradle of this country, the city of Quebec, and at an early age I moved to a village known as Sillery, which produced the famous Chubby Power, who graced this House of Commons for many years.

Mr. Speaker, there are many differences which are separating Quebec from the rest of the country, and certainly with the time at my disposal I could name but few of them. But I should like hon. members to remember that the rights which the French Canadians are asking for themselves across the country are the rights that I, as a representative of the English minority, have always enjoyed in the province of Quebec. I can remember, Mr. Speaker, going to school for the first time 35 years ago. I was entitled to attend an English speaking school with English speaking teachers, and with a curriculum acceptable to the religious beliefs of my parents. This privilege has always been recognized in the province of Quebec. Certainly French Canadians, in asking for this privilege in other parts of Canada, are simply asking for things which they have always extended to the minority in our province. The use of English in the provincial buildings, in civic administration, even in road signs, periodicals and annual reports, has always been encouraged and fully recognized. The maintenance of the rights and privileges of the minority in our province, even in the dark days of Mr. Duplessis, has always been protected. Personally, as one who is considered reasonably bilingual, I cannot visualize the day when every Canadian will be fully bilingual, but I do think the day has come when every Canadian should have more than a passing interest in French or English; and I might add, Mr. Speaker, that my remarks apply equally to my French Canadian friends.

Rather than wait for the full implementation of the royal commission report, I think steps can be taken immediately to further the cause of bilingualism, at least in our senior civil service departments. I do not subscribe to the theory that all must be rectified by 1967. Certainly there is no magic date when all these differences of opinion must disappear. But I do think that confederation should at least mark the date of stocktaking, when we can look back with pride to some improvement in the question of bilingualism and biculturalism. I think, Mr. Speaker, that every Canadian is duty bound to acquaint himself a little more with French Canada. Prominent Canadians found to their delight many years ago that a deep knowledge of French Canada, its culture, its language and its traditions is an exciting and fulfilling experience. The province of Quebec is our birthplace, and it was from here that the hardy settlers first braved the tough winters and journeyed on to make Canada, and indeed the United States, known to our European friends.

Mr. Speaker, perhaps I may be permitted for just a moment to outline some of the facts which have led to the rejuvenation of the province of Quebec. The fact that in 1960 our province was finally freed from the yoke of a very corrupt administration is, I think, well known to all of us, and certainly if the province of Quebec has not expanded as well as it should have economically, the blame must not be laid entirely at the feet of English Canadians. French Canadians must take a second look at the yoke of tyranny which men like Duplessis placed around their own necks. Today our province is on the

move. The institution of a hospital insurance plan, for example, brought it into line with the rest of the country. Our universities are flourishing, thanks to statutory grants. High school education is now free up to and including grade 11, and the province is embarking upon a vast building program for secondary and technical schools. Crown prosecutors are being named on a permanent basis.

Antiquated electoral laws have been brought up to date and Quebecers for the first time in history are putting their savings to use for the benefit of the province through their general finance corporation. Meanwhile, the council for economic orientation is endeavouring to spread industry beyond the confines of the upper St. Lawrence valley.

In short, I feel the province of Quebec is rapidly closing the economic gap which separates it from the rest of the country. Its culture is flourishing. Its literature and art are finding a ready audience not only in the United States but in English speaking Canada. Its French television programming is vigorous and alive; French technicians have been responsible for the finest of the documentary films made by the national film board.

I remain one of the optimists as far as the future of confederation is concerned. However, I believe confederation must be reviewed and its contents more clearly defined. It is important for us to remember that the terms of confederation will mean very little if there is not a desire to make them work, motivated by mutual respect and understanding. The desire for equality of opportunity, equality of language, must be earnestly desired by all Canadians and for all Canadians. Certainly I think we must realize that the spirit of confederation, as it was envisaged, has never been fully realized. The time has come for us to realize that what is good and proper for Quebec is good and proper for Canada. By the same token, French Canadians and the people of Quebec should realize that what is good for Canada is good for Quebec. It is not by isolation that Quebec will fulfil its destiny. It is not by retiring from confederation that Quebecers will realize the fulfilment of their economic dreams. The eventual and logical development of Quebec to the full richness of which Quebec is capable must come from within confederation. The time is now.

Canada is ready and willing to view the French Canadian position in its right perspective. It is not by loose talk of ten federations, of separatism or of reducing the role of the federal government to nothing that Quebec will flourish. It will flourish when Canadians right across this great dominion realize that the ultimate greatness of this country depends on a vigorous and lusty Quebec, and that our greatest protection against further inroads into our culture by friendly allies is the extension of French Canadian culture across the country. I believe this fact has now been recognized across the nation. Responsible Canadians everywhere feel French Canada has been ignored to some extent. I believe Quebec has served notice in the last two years that it is fully capable of managing its own affairs. If the province is to achieve the greatness of which it is capable, her leaders must now be prepared to permit the rest of Canada to help rectify the situation.

In closing, may I say that if certain leaders in the field of politics and in the world of letters adopt the attitude that nothing can be done, that Quebec has no role to play in confederation, then the long struggle for equality will have been in vain. If, on the other hand, the commission on biculturalism is given an opportunity to function, if its report is analysed with an open mind, if the differences separating French Canada and English Canada are acted upon, then I feel Canada will eventually reach the greatness predicted for it by Sir Wilfrid Laurier.

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I wish I had time to deal extensively with the speech made this afternoon by the Secretary of State for External Affairs (Mr. Martin), but I have certain other topics to deal with, so I cannot do more than comment briefly on the remarks he made.

The minister, who had an opportunity to give us a full statement with regard to the NATO conference, satisfied himself with a rough and ready summary of what happened at those meetings. He forgot to mention that most of it had been decided in advance and that the communique had been prepared and agreed upon by most of the leading nations in NATO long before the business was concluded. The hon. gentleman did point out, though, that he had met in advance with various foreign ministers, starting off with Secretary Rusk, thus reversing the order followed a couple of weeks ago when the Prime Minister (Mr. Pearson) started off with the prime minister of the United Kingdom. Here, perhaps, we have the proposed pattern. The hon. gentleman began by meeting the secretary of state and followed by meeting Lord Home of the United Kingdom.

The minister of external affairs indicated to us that the debate on nuclear arms is far from finished. He opened up new vistas for us to examine. He indicated, as did the Prime Minister earlier, that the question of defence policy would be taken up when the committee is appointed to discuss that matter. The Prime Minister said it would be a committee to consider defence policy and the Secretary

of State for External Affairs said almost the same thing this afternoon. Consequently we shall have, to use his words, a review of national defence policy as soon as we get around to setting up the committee. It is essential we should do this because there is certainly great misunderstanding in regard to this subject, above all, in the mind of the Secretary of State for External Affairs. He had the effrontery to say that in the discussions prior to the meeting he took it upon himself to remove what he called doubts in the minds of our allies with regard to Canada's role in NATO. Mr. Speaker, there has never been any doubt in the minds of those in any country as to Canada's role in any crisis. There is no country in the world which has exceeded Canada's efforts in time of international crisis. Except for some of our own Canadian politicians, no person has ever expressed doubt about this country meeting its obligations in time of international crisis. Yet we find the minister of external affairs continuing this practice of downgrading Canada and leaving an impression in the minds of his listeners that in the past there have been doubts created in the minds of our allies—he means, of course, by the previous government. None of this happened during the days of the Eisenhower administration, and I am surprised that the minister of external affairs should use an expression like that in this house.

The hon. gentleman also indicated that Canada was now about to take steps to discharge the role to be played by our forces. There has never been any dispute or misunderstanding on the part of anyone suggesting that Canada would not discharge its role effectively. The hon. gentleman went on to say that the NATO meeting had direct relevance—those were his words because I took them down—to Canadian forces in Europe. Yet a few months ago gentlemen opposite were saying throughout this country that the NATO council to be assembled in Ottawa would have nothing whatever to do with Canada's role in defence. They told us earlier that only the foreign ministers would come. We discovered—and the Canadian people now realize—that the defence ministers came along as well, because the major item to be discussed at this meeting was the subject of defence. So the hon. gentleman had to admit that the NATO meeting last week had direct relevance to the employment of Canadian forces in Europe, as we said from the beginning. Then he went on to say —and it has been announced in the press— that the government had committed our forces to SACEUR and that they would now be a part of its deterrent force. I point out that this new force which has been put together is a deterrent force comprised of the bomber fleet of the United Kingdom, three Polaris submarines and the tactical nuclear force available in Europe of which Canada's force comprises part. The government has taken action of this kind without reference to parliament and has committed our force in Europe to undertaking a deterrent role. It is not just a defensive force. The range of the planes is not very great but it is enough to enable them to reach into the iron curtain countries. The size of the bomb carried is such that it is not just a defensive bomb to be used in support of an army on the battlefield. It is a megaton bomb and there will be 144 planes each armed with a megaton bomb, which we are told is equivalent to the explosive power of a million tons of explosive. Canada itself will have enough explosive power virtually to destroy civilization.

So this government, without having a national review of Canada's defence policy, without referring the matter to parliament, has committed Canada now to a position in the deterrent force under NATO. I would have thought that this matter should be carefully considered by parliament and carefully considered by the people of Canada before precipitate action such as was taken. Here was the chance—the NATO meeting, proposals put forward there and then a full discussion by the Canadian parliament with regard to what Canada should do in the future. But that has not been accorded to us. We are going to be able to discuss this afterwards in a defence committee which the Prime Minister is quoted as saying in one of the papers might take a year to complete its work. But the decision has already been made by the government and, strangely enough, we have not heard from the Minister of National Defence (Mr. Hellyer).

Mr. Martin (Essex East): You will.

Mr. Churchill: He is travelling around in the shadow of the Secretary of State for External Affairs. I should like the Minister of National Defence to assert himself. He is the man who is responsible to the house for Canada's armed forces. He has an associate minister who claims equal authority with him. Why do we not hear from the Associate Minister of National Defence (Mr. Cardin)? But no, the Secretary of State for External Affairs, who has no particular knowledge of defence matters, is telling us what to do and telling the two ministers of national defence what their role will be, a role which is obviously an inferior one. They are tagging along behind the Martin comet.

Mr. Martin (Essex East): I assure my hon. friend that he will be hearing from the Minister of National Defence.

Mr. Churchill: I can hardly wait. I hope what I hear will be more interesting, more objective and more informative than what we heard this afternoon from the Secretary of State for External Affairs.

Mr. Martin (Essex East): You are not too generous today, Gordon.

Mr. Churchill: I have only just started and I have already wasted ten minutes on the minister's very bad speech. What I had intended dealing with, and I have a chance to deal with them now, are some of the commitments which the government has failed to keep. This government has been talking and its members were talking during the election campaign about keeping commitments. Let us examine their record.

Within 30 days of assuming office they have already declined to keep a commitment which was made during the election campaign. Last week in the House of Commons I put the following question to the Minister of Transport (Mr. McIlraith), as found at page 33 of *Hansard*:

> Does the government intend to honour the commitment made by the Prime Minister during the election campaign to retain in Winnipeg and St. James the T.C.A. overhaul and maintenance base?

The answer given by the Minister of Transport reads in part as follows:

> I can find no such commitment having been made.

Subsequently in answer to a supplementary question by the hon. member for Winnipeg North Centre (Mr. Knowles), who I am sure will pursue this subject, the Prime Minister used the following words:

> —there was no commitment in that statement in the terms put forward by the hon. member who asked the question in the first instance.

I want to draw to the attention of the house an article which appeared in the Winnipeg *Free Press* of Saturday, March 30, just in the heat of the election campaign. The article reads as follows:

> Fred Douglas, the Liberal candidate in Winnipeg South Centre, said Saturday that if a Liberal government is elected the Trans-Canada Air Lines maintenance and overhaul base will remain in greater Winnipeg. At a press conference Mr. Douglas showed a policy statement contained in a telegram from Liberal Lester Pearson. Mr. Douglas said Mr. Pearson's statement "ensures that the T.C.A. maintenance and overhaul base will continue in Winnipeg."

I do not have the time to elaborate on this matter but no doubt other members from Winnipeg will do so. I quote again from the *Free Press*:

> If the base moves about 1,000 employees would be affected and a gross pay packet of from $8 to $13 million.

This is of great importance to the city of Winnipeg and to individuals. The Winnipeg *Tribune* of May 21, commenting on the question and answer in the House of Commons, had this to say:

> Questioned in the Commons on Monday, Prime Minister Lester Pearson denied that he had made any commitment to keep the overhaul base here. From the standpoint of semantics, Mr. Pearson could argue that he has made no specific pledge concerning the overhaul base. But certainly it could have been read into his election message that Mr. Pearson was prepared to fight to keep the base here. That was the conclusion made by his own candidate and no move was made to dissuade the electorate otherwise.

It is indeed regrettable that the present government should have so badly misled the residents of Winnipeg and St. James during the course of the election campaign. I call upon them to honour their commitments, expressed or implied, that were used during the election campaign to influence the voters of greater Winnipeg and to attempt to affect the vote in that city. It was understood by the people that there was a commitment.

An equally bad error was made within four days of the government assuming office. That was the callous and ruthless treatment meted out to a first world war infantryman who served in the trenches and at Passchendaele. I will spare the Minister of Veterans Affairs (Mr. Teillet) any comment on this matter today but I will be referring to it subsequently and I will show the complete indifference of the Prime Minister when this matter was drawn to his attention, as it was drawn to his attention by myself by cable and by telegram. He had every opportunity to take immediate action on behalf of the veterans of this country and to protect the pension commission, and he failed to do so. He wrote it off. He gave his complete and unqualified approval of the action of the Minister of Veterans Affairs. It is a subject that will be reviewed again in the House of Commons.

The other day, Mr. Speaker, the hon. member for Parry Sound-Muskoka (Mr. Aiken) in speaking in this debate indicated that after the election was over he had paid a visit to the United States. I was struck by this sentence of his speech that is recorded on page 249 of *Hansard*. He said:

> I had the opportunity of speaking to a large number of United States citizens, including persons in the government service; and whether they are justified or not, United States citizens believe they won the 1963 elections in Canada and they are waiting now for the country to be delivered to them.

That is an extraordinary experience, but I think that the election campaign which ended just a few weeks ago will be recorded

in history as one in which United States interests played a larger part than at any time for at least 50 years. I think it is important to set down on the record a summary, for Canadians of the present and for the historian of the future, of some of the main factors that loomed so large during the 1963 election. A great part of the interest shown by the United States administration in Canadian affairs centered on the question of nuclear weapons. The controversy was started by a visit to Canada by General Norstad after he had vacated his command as supreme allied commander, Europe. Ostensibly he had come to bid farewell to his Canadian friends. Whether he did the same in all of the other countries of the NATO alliance has not been disclosed. His parting words to his Canadian friends were actually a sharp attack on Canada and an unexpected and unwarranted interference in Canadian affairs. That happened on January 3.

On January 12 at a Liberal association meeting in Toronto the then leader of the opposition, now the Prime Minister, executed the very difficult acrobatic feat of reversing himself while balanced on a tightrope. For several years he had proclaimed the policy of no expansion of the nuclear club and no nuclear arms for Canada.

On January 12, however, he explained his change of position, and these are his words:

> The experience and information in recent months, even recent weeks, have influenced that position.

He has yet to tell us what was the experience in those recent weeks which were the weeks of the parliamentary recess in December and January. Where was he during that period? With whom did he consult? Who caused him to change his mind? He based his January 12 speech in the house on a statement made by General Norstad on January 3. These are the words he used:

> These are the facts about our nuclear defence situation today. If there are any doubts about these facts, those doubts were removed the other day by a man who should know, General Norstad, the man who for years was Supreme NATO Commander.

Mr. Pierre Elliott-Trudeau, writing in the May issue of *Cite Libre* poses several questions that have been in the minds of many people. Here are two of them:

> Do you believe it was as a tourist that General Norstad ... came to Ottawa on January 3 to demand publicly of the Canadian government that it respect its pledge? Do you think it is by pure chance that Mr. Pearson in his speech on the 12th January rested on the authority of General Norstad?

To continue the chronological summary, I may say that the next event was the notorious press release by the department of state in Washington, issued on January 30. Then, on February 6, the *Globe and Mail* carried a dispatch from Washington which referred to that press release. The article reads as follows:

> Doris Fleison writing in the Washington *Star* says, "It could just be that some well-meaning friend here decided to give Mr. Pearson a hand. Precisely that suggestion is going the rounds with a rather important name attached."

The Chicago *Sun Times* of February 3 commented:

> The issue is political in Canada. The American press release seemed to correspond with the position of Diefenbaker's political opposition, Liberal Leader Lester Pearson ... For our part we hope Washington hasn't committed a diplomatic bay of pigs with our friends the Canadians.

Mr. Walter Lippmann in the Washington *Post* wrote:

> American dealings with the Canadian government have no doubt been complicated. But the crucial issue is the same one which has disrupted American relations with France and shaken the whole western alliance and has alienated the U.S. from General de Gaulle.
>
> It was a thoughtless decision to embroil the U.S. with Ottawa in a relatively minor aspect of the great issue which is posed from Paris.

This is a quotation taken from an article reprinted in the Calgary *Albertan* on February 12, 1963. Then, Mr. Pierre Elliott-Trudeau poses these questions:

> Do you think that it was by mistake that the State Department sent to the press, on the 30th of January, a release reinforcing Mr. Pearson's position and bluntly calling Mr. Diefenbaker a liar? Do you believe it was by pure chance that this communique furnished to the Leader of the Opposition the argument with which he literally stuffed his speech to parliament on the 31st of January? Do you believe that it was a mere coincidence that this series of events culminated in the fall of the government on the 5th of February?

There followed during the election campaign various other incidents of which I will mention only two—the *Newsweek* article in February characterized by the Toronto *Star* as a disgraceful attack on the then prime minister, and the Buffalo radio station, WYSL, broadcasting an editorial urging its Canadian listeners to vote Liberal as recorded in the Toronto *Telegram* of April 4.

After the campaign came the gloating from Washington as reported in an editorial of the *Globe and Mail* of May 2, and a news story in the Toronto *Telegram* of April 24. Mr. Richard Starnes of the Scripps-Howard chain wrote as follows:

> Adroit statecraft by the American State Department brought down the bungling, crypto-anti-Yankee government of Prime Minister John Diefenbaker and replaced it with a regime which promises to be faithful to the concept of Canadian-American interdependence ... American intervention was coldly calculated to do precisely what it did, and it was a brilliant success.

How coldly calculated was it by the state department? In the brief chronological summary that I have given, there should be inserted a letter dated January 14, a copy of which I received in the mail. The letter reads as follows:

> Please accept my sincere congratulations on the excellent and logical speech you made at the Liberal party conference on nuclear weapons on January 12th.
>
> We appreciated your statement which indicated that the points of view expressed by the Liberal party and my government are identical. As a result of your address,—

Mr. Martin (Essex East): I rise on a point of order, Mr. Speaker.

Mr. Churchill:

> —no other Canadian politician on record has gained as many devoted friends in my country as you have.

Mr. Martin (Essex East): I rise on a point of order, Mr. Speaker. The hon. gentleman is reading from a letter. Would he identify the letter in accordance with the rules of the house?

Mr. Churchill: I always identify every document to which I refer in this house. I can assure the hon. gentleman that I will. I continue:

> I was delighted with the timing, which I considered perfect, announcing the stand taken by the party. The Conservatives will be forced to repeat what you have already stated. It will be quite evident to the electorate that the policy of the Conservatives is narrow-minded and that they are unfit to continue governing the country.
>
> At the first opportune moment, I would like to discuss with you how we could be useful to you in the future. You can always count on our support.

The letter opens with the salutation—

Mr. Martin (Essex East): On the point of order with respect to the rules; the hon. gentleman knows perfectly well that the practice is, when an hon. member is about to read from a letter, he identifies the correspondent. He identifies to whom the letter is sent and he identifies the letter writer. I greatly suspect that what the hon. gentleman is now doing, and he is doing it with knowledge, is that he is reading a letter which he knows to be an absolute forgery.

Some hon. Members: Shame, shame.

Mr. Churchill: This is a most unusual interference by the minister of external affairs and the accusation which he has made against me is something which will have to be considered very seriously by parliament. He has accused me now in a way which he will regret in the future. I will continue, Mr. Speaker, and I will identify, as I say—

Mr. Martin (Essex East): On the point of order, Mr. Speaker; the hon. gentleman will observe the rules of the house and give us the name of the person to whom the letter is sent and who wrote it. I well suspect that he will be reading a letter which is a forgery.

Mr. Deputy Speaker: Order; I believe the hon. member for Winnipeg South Centre (Mr. Churchill) would want to identify the letter which he is reading now.

Mr. Churchill: I am surprised at the intervention of the minister for external affairs. I said to the house that I would identify it as I always do every document that I present. I was on the point of identifying this document when he interrupted me quite unfairly with an accusation which he is going to find very difficult to substantiate.

The letter opens with the salutation, "Dear Mr. Pearson" and closes, "Sincerely yours, W. W. Butterworth". It is addressed on the lower left-hand corner of the letter to the Honourable L. B. Pearson, 541 Acacia avenue, Rockcliffe Park. In the top left-hand corner it bears the crest of the United States and on the top right-hand corner embossed are the words, "Embassy of the United States of America".

Some hon. Members: Shame, shame.

Mr. Martin (Essex East): Mr. Speaker, is the hon. gentleman not aware that a newspaper in his own city, and I am not now referring to the Winnipeg *Free Press*, thought this letter was of such a character, of doubtful authenticity bordering on forgery, that they would not stoop to do what the hon. gentleman has done in this house this afternoon.

Some hon. Members: Shame, shame.

Mr. Churchill: The minister of external affairs is arrogating to himself authority which he does not possess. He is making accusations here which are derogatory to the position of a minister of the crown and an insult to the members of the House of Commons. I stand here, sir, in the right of the free speech which is the heritage we have had in this parliament for generations, and for centuries, and I am entitled to draw the attention of the house to documents that I have received, such as this; and the Secretary of State for External Affairs has no right, no authority and no justification for any of the statements he has made.

Mr. Martin (Essex East): We shall see.

Mr. Pickersgill: Mr. Speaker, I wonder if the hon. member for Winnipeg South Centre would permit me to ask him one question. Would the hon. gentleman say where he got that letter and from whom, and what effort he has made to find out whether or not it was ever written by the purported author?

An hon. Member: No answer.

Mr. Pickersgill: Shame.

Mr. Hellyer: On a point of order, Mr. Speaker, is it not customary when a document is referred to and noted in the record that the person so doing so tables that document?

Mr. Baldwin: No, only if it is a public document.

Mr. Deputy Speaker: I understand it was not a public document, and there is no obligation on the hon. member to table it.

Mr. Pickersgill: Mr. Speaker, I do raise a point of order. I think Your Honour, on consulting the rules, will find that it is not a rule of the house that a private member must table a document, and that only members of the government can table documents, and then only official documents; but every hon. member of the house who quotes a document has to vouch for the authenticity of the document he quotes. That is a rule of the house and I would ask Your Honour to enforce that rule with respect to the hon. member for Winnipeg South Centre (Mr. Churchill).

He has quoted what purports to be a letter written by the United States ambassador here in Ottawa, to the present Prime Minister. Under the rules he has to take the responsibility, and the full responsibility for the authenticity of that document which my hon. friend, the Secretary of State for External Affairs, says he believes to be a forgery and which he believes the hon. gentleman knew to be a forgery when he quoted it. I must say, sir, I share that belief.

Mr. Churchill: Well, Mr. Speaker, I have already drawn Your Honour's attention to statements made by the Secretary of State for External Affairs, now repeated by the Secretary of State. The Secretary of State for External Affairs just recently made a statement which I will ask Your Honour to insist be withdrawn.

Mr. Deputy Speaker: What I understand the minister to have said is simply that he believed the document is a forgery. I did not understand him to say he believed that the hon. member for Winnipeg South Centre was under that impression, or knew it was a forgery.

Mr. Churchill: Yes, that is what he said.

Mr. Deputy Speaker: That is not what I gathered, and I am sure that is not the implication of the words spoken by the minister.

Mr. Woolliams: On a point of order, as I understand the minister—

[Mr. Pickersgill.]

Mr. Deputy Speaker: Order. I believe the hon. member for Burnaby-Coquitlam got up on a point of order first.

Mr. Douglas: Mr. Speaker, I want to raise two matters. The first is that the rules of the house do not require an hon. member to vouch for the authenticity, but to accept responsibility. There is a slight difference. Second, I certainly contend that for an hon. member to say of another hon. member that a document he has produced is a forgery, and that the hon. member reading it knows it to be a forgery is surely an imputation contrary to the rules of the house and should be withdrawn.

Mr. Woolliams: Mr. Deputy Speaker, with the greatest respect to you my understanding was that the Secretary of State for External Affairs said that the hon. member speaking knew it to be a forgery. There is the privilege and there is the reason why that statement by both ministers should be withdrawn.

Mr. Pickersgill: Mr. Speaker, I raised a point of order, and my point of order I think was quite properly corrected by the hon. member for Burnaby-Coquitlam (Mr. Douglas). I said that the hon. member quoting the document was expected to vouch for its authenticity, but I am sure the hon. member for Burnaby-Coquitlam is quite correct in saying he must take responsibility for it. To me the two things are the same. To me no hon. member, no gentleman, would quote from a document that he did not believe and have every reason to believe was authentic, so that while I was paraphrasing the rule I do not think I was changing its spirit in any way.

The hon. gentleman presumably takes the responsibility for the authenticity of this letter which I, and my hon. friend the Secretary of State for External Affairs, have said we believe to be forgery, and which we said we believed the hon. gentleman knew was a forgery. Now, if the hon. gentleman made so little effort to find out whether or not a document that he says was written by the ambassador of the United States to the present Prime Minister was authentic, if he was so careless that he did not take the trouble to find out—which he could easily have done by asking either of the parties—if he brought that document in without making any effort to find out whether it was authentic, then if that is the way he behaves, if that is his idea of responsibility all I can say is that that is not my idea of the way an hon. member of this house should behave.

It seems to me that before any extraneous question, such as was raised by the hon. member for Winnipeg South Centre (Mr. Churchill) is settled, Your Honour should

first settle the point of order I raised; that is to say we should be assured by the hon. member for Winnipeg South Centre that he takes the responsibility for that document. If the hon. gentleman is willing to do that then I am quite prepared to withdraw any words I may have said that may have been offensive to the hon. member.

Mr. Diefenbaker: Mr. Speaker, there is a question before you that affects the privileges of the house. The Secretary of State for External Affairs, repeated in turn by the Secretary of State, has made an imputation that must be withdrawn under the rules of the house. There is no question about that, and no smokescreen can get over that. The statement made by each of these hon. ministers was that the hon. member for Winnipeg South Centre (Mr. Churchill) knew this document to be a forgery. That, sir, must be withdrawn or the day of debate between gentlemen, under the rules of the house, will indeed have passed.

Mr. Deputy Speaker: It is my opinion that if this was actually what was said by both hon. ministers, that the hon. member for Winnipeg South Centre in reading this letter knew it was a forgery, then these are the words which should be withdrawn or explained by the ministers.

Mr. Martin (Essex East): Mr. Speaker, I must ask you to excuse me. I was talking to another hon. member and I did not hear what you said.

Mr. Deputy Speaker: What I said was simply this, that if what was said by the hon. ministers was that the hon. member for Winnipeg South Centre knew that the letter he quoted from was a forgery, these are words that should be withdrawn.

Mr. Martin (Essex East): Mr. Speaker, with great respect I would suggest that the rule encompasses an act on the part of the hon. gentleman which he has not yet taken. If the hon. member says that what I have said does not represent the situation, then I have no other alternative under the rules than to accept that; but the hon. gentleman has not yet denied what I did say, and if he denies it and says it is not the case, then under the rules I have no alternative but to withdraw.

Mr. Nowlan: Mr. Speaker, the Secretary of State has just said we should settle one question first and not bring in extraneous matters, but with all due respect that is what the Secretary of State for External Affairs and the Secretary of State are trying to do. The Secretary of State for External Affairs said (a) this letter was a forgery, or words to that effect, and (b), that my colleague the hon. member for Winnipeg South Centre (Mr. Churchill) knew it was a forgery when he was quoting it. That is a direct imputation against the integrity and honour of my hon. friend. It is absolutely contrary to the rules and, as you have already ruled, it should be withdrawn unconditionally, and other extraneous matters can be raised later.

Mr. Pickersgill: Your Honour, I understand—

Some hon. Members: Sit down.

Mr. Pickersgill: —that you did not make any such unequivocal ruling at all.

Some hon. Members: Yes, he did.

Mr. Pickersgill: What Your Honour said was that the minister, if he did say what he was alleged to have said, should either withdraw it or explain it. My hon. friend the Secretary of State for External Affairs has pointed out, quite correctly, that the hon. member for Winnipeg South Centre has not denied that he knew this was a forgery. If the hon. gentleman denies that, then, as my hon. friend has said, he would of course have no choice but to accept the hon. member's word, and I am sure he would do it without delay.

Mr. Deputy Speaker: I do not believe the hon. member for Winnipeg South Centre has to deny anything. The statement has been made by the Secretary of State for External Affairs. I think that if those were actually the words spoken, and the intent of the minister was that when the hon. member for Winnipeg South Centre made that statement and read those words he knew they were a forgery, those words should be withdrawn.

Mr. Martin (Essex East): May I say first of all, Mr. Speaker, that this is the first time I have seen you in the chair and I must congratulate you and say that we all admire the way you are handling a difficult situation. If that is your ruling, of course I accept it and I act upon it at once.

An hon. Member: Obey it.

Mr. Aiken: Mr. Speaker—

Some hon. Members: Withdraw.

Mr. Deputy Speaker: Order. May I suggest that the minister has had the courtesy to withdraw his words.

Some hon. Members: He has not.

Mr. Deputy Speaker: It is my understanding that he has withdrawn his words. He has said that if this is my ruling, he abides by my ruling. It is the ruling of the Chair. The words have been withdrawn, and I would urge hon. members to consider the matter closed.

Mr. Pearson: Mr. Speaker, on a question of privilege, the matter to which reference has been made—and I am sorry I was not in the house when the reference was made—is a letter, I take it, that was supposed to have been sent to me by the United States ambassador. When this letter was brought to my attention, or the report of it, during the election campaign I let it be known then that I had received no such letter, and the United States ambassador let it be known that he had sent me no such letter. My hon. friend opposite must have known that, and therefore the letter was a forgery; of course it was a forgery.

Some hon. Members: Hear, hear.

(Translation):

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I rise on a point of order. The letter deals with an important matter, and I should like to ask the Prime Minister (Mr. Pearson) whether he has made an investigation, since he has become the head of the government, to determine who has thus been using his name and that of the American ambassador to write such a letter.

Mr. Speaker: Order. The matter is closed.

A point of order was made and the minister concerned gave an explanation. Therefore, I consider that the matter is closed; I now recognize the hon. member for Compton-Frontenac (Mr. Latulippe).

Mr. Henri Latulippe (Compton-Frontenac): May I first of all congratulate the Speaker on his nomination to the high position to which he was appointed and also the Deputy Speaker and the deputy chairman of the committees. I should also like to congratulate the mover (Miss Jewett) and the seconder (Mr. Choquette) of the address in reply to the speech from the throne.

It is with pride that I thank my electors of Compton-Frontenac for the confidence they have placed in me in renewing my mandate for a second time.

I can assure them that I will continue to put my humble knowledge at their service in order to fully discharge my duties as a member of parliament, which are not to be confined to patronage but should also involve all the needs and problems of my constituents in order to help those who are in need.

It is with anxiety that I listened to the speech read by the Deputy of His Excellency the Governor General.

Fine words and many flowers or rhetoric can be found in it, but I note that it is always the same kind of speech we have since confederation—a lot of meaningless words and few practical suggestions for the uplift of the unbalanced economy facing the Canadian people and against which they have been struggling all across Canada.

I had expected to see the Liberals, for once in history, tackle the problems of the Canadian economy head on and apply beneficial and true solutions, appropriate and vital cures to the glaring economic unrest as, for instance the host of the outcasts of fortune, the homeless, the numerous unfortunate victims of the oppression of the many by the few.

The Liberals did delude those poor people and tossed them in a blanket by presenting themselves as completely new men during the last election campaign of last April 8, and pretending they had a rejuvenated party with a new spirit, strengthened by new ideas, a party with new policies, and contending that under its leadership the Canadian people would have a brand new economy and unprecedented stability.

I find that the speech from the throne is meaningless and, as I said earlier, it is almost identical to all those made since confederation, except that this time there is something new in the field of nuclear weapons. The Liberals are in orbit. They are thinking about the moon. They are getting away from earth and from worldly concerns. They know nothing about the problems of needy families, they no longer think of the unemployed. They want us to swallow the matter of nuclear weapons, they want peace, but they prepare for war.

In the Friday, November 16, 1962 issue of the Montreal daily *Le Devoir*, Hugh MacLennan stated the following:

> In universities throughout the world and, I believe, even in universities behind the iron curtain, everyone agrees that an international policy based on nuclear fear must normally lead to an inconceivable disaster.

What do we of our generation want, whether we be old or young, men or women? War or peace? Life or death? If we want to live, we undoubtedly want peace.

Now, the question is, what sort of peace do we want? A confused peace, in which we shall rot away miserably, facing a hopeless future for our young people, in homes too poor to have children and to bring them up decently.

That is the sort of peace which this unsettled government offers us, whose administration deprives the poor in order to pay war debts, unemployment debts to "money makers", expenses for guns, aircraft and nuclear arms.

No, that is not the kind of peace we want, what we want is an orderly, settled peace. Peace with all the other countries, but, first

and foremost, peace among ourselves, in our own country, peace between capital and labour, between management and labour, between unemployment and technical advance, between this country's wealth and the living standard of our people. That is the peace we want. It is obvious that we know what we aim at: As much money as there are products, a constant balance between our buying power and the goods offered for consumption.

Let us have a showdown: People are dissatisfied with the present government. In this our Canada, as well as throughout the world, there is general discontent and grumbling, discontent due to constant fear, chronic insecurity, and groundless destitution. One crisis breeds another, so that, on the one hand, great quantities of essential assets and efforts are lost, while on the other hand, half the people in the world suffer from the pangs of hunger. Here, Canadians are fighting unemployment crowded and crammed in slums.

Farming is in a state of depression. Gerard Filion, the columnist of *Le Devoir*, wrote on November 7 last, and I quote:

> The farmers are up in arms and it is serious. Political parties ought to have the problem of agricultural economy thoroughly examined once more by experts, so as to offer something else than panaceas. It is serious, because the agricultural class is entitled to a decent living.

A fact remains which nobody can deny: it is that the present economic system praised so much by the two old line parties, works badly, leads to credit restrictions, unemployment, misery and to the inconsistencies of privation amidst plenty.

It is precisely because economists of the two old line parties did not want to see the facts that they proclaimed for a long time that the Social Credit theory was a utopia. But is the present system that our economists persist in defending so consistent with reality? Has it proved so great a success? Does it bring the necessary solutions? Will they be the last and only ones to defend it?

What is so utopian in Social Credit? Is it utopia to turn our country's wealth to the benefit of our families, to put within the reach of everyone that which everyone contributes to produce?

People do not eat according to the food produced in the country; people do not dress according to the clothes manufactured in the country; people do not stay in houses according to the lumber and building materials of the country. The basic criterion remains the sum of money the system allows us.

Popes have denounced such a state of affairs, but it goes on. Every human being is entitled to the necessaries of life. Money must be geared to production, not production to money. Systems are made for men, not men for systems. Money must not limit human freedom and self-achievement. Here is an extract from the financial column of *La Patrie* signed by Marcel Ouimet on November 21, 1962, and I quote:

> Any economic system is subject to continuous change, and capitalism is no exception to the rule. At the present time, the contribution made by the enterprise economy will therefore be appreciated to the extent it will succeed in enlisting every one's support, said Mr. Kierans, and in adapting itself to people's needs and in presenting itself to the still uncommitted countries as an acceptable system of social organization which can best combine material progress and complete respect for human values.

Today's economic system is based on money, and so it starts at the wrong end. Finance controls and governs production, production governs consumption, man must get along with what he is offered and what he is allowed to get. Why must our province of Quebec account alone for almost half the unemployed in Canada, or more exactly 36 per cent of them? Is our well known patience to be pushed to the limit?

In fact, a booklet entitled "Unemployment in Canada" and published by the dominion bureau of statistics under catalogue no. 71-503F, shows that between 1951 and 1955, years during which we lived under a Liberal administration, the unemployment figures by region give Quebec 36 per cent of all the unemployed in Canada. The same situation prevails during the Conservative administration between 1956 and 1960.

Our work force being only 27 per cent, a sharp difference of 35 to 40 per cent between the per capita income in Quebec and Ontario is the lot of the population in the province of Quebec.

Would not that be reason enough to provoke those poor people, forced to live in slums because they have no purchasing power, because they cannot get the money that is so cheap to produce, because, try as they may, they cannot sell the strength and production of their arms?

And injustice does not strike only the unemployed or the small wage earners in our cities. Because a great number of people lack enough purchasing power, the farmers are forced to sell their products below cost, even if they evaluate their work at only 50 cents per day.

Personally, I have come to the conclusion that there is a fifth column at work to drive the Canadians away from the system that

prevails in Canada, to kill all ideals in their hearts and thus to hurt our economy.

You can not stand up in defence of a given regime if you do not really care for it. I feel it is high time for the authorities to pay some attention to this fifth column of ours.

Bankers reject the idea of a well-balanced economy and try to postpone its advent. They do not mind seeing people with empty pockets, and would much rather control mortgages and increase our national debt than help the state give the people wholesome and proper food and lodgings, capable of maintaining a decent army of workers and of warriors.

It is generally recognized that the family is the main cell of the national body. If we do not have a truly patriotic legislation, taking into account the elementary needs of large families, we shall see on the home front, long before enemy bombs might start falling—our families dispersed, our birth rate disrupted, our population drained of its lifeblood—and all this for what reason? In deference to figures and regulations which place money above human capital.

Hitler was blamed because of his disregard for human life. Does our tight money system have regard for human life? Has not the time come to redress and rectify a disorder which weakens our cause?

In order to support my argument, I shall quote a paragraph printed black on white on page 878 of the 1954 decennial review of the Bank Act.

> At this time the chartered banks have accumulated securities of every kind, representing a total of about ten billion dollars. As strange as this may seem, they have acquired all these assets from the people and the government of Canada for practically nothing. That has been possible because, first of all, the banks have stocked up securities without spending so much as a cent. They obtained everything by resorting to trickery. It is high time that they give back their ill-acquired securities or that they be made to pay for them.
>
> The banks are pretending that they have paid or lent ten times the amount they now hold or have collected; that they have issued money to acquire their holdings, or that they bought them with their customers' money. That is as false as can be: it is a despicable way of cheating people. This is what they really did: instead of using their own capital for constituting their holding, they simply credited their customers' accounts with the amounts owed. If those liabilities to their clients had been paid by the banks, there would have been no reason to complain. But, strange as it may seem, all was cancelled, rescinded or repudiated later on, so that the securities making up the holding remained in the hands of the banks without ever being paid for.

Why not start by paying allowances in proportion to the cost of living. I don't mean a fortune for everybody, but at least what the humane society would ask for the average pedigreed dog. It would be less expensive and would bring in more for the nation than the interest paid to the bankers.

In view of the great dangers that have been mentioned, would it not be proper to put all our forces into the service of the nation, even the banking force. The bankers might do much better that way, because, about a week after they have been made out, all cheques come back to them perfectly safe and in good order.

Let us hope that our leaders will soon open up their eyes and bring to reason the fifth columnists supplying credit a drop at a time and paralysing the traditional family organization, promoting higher taxes, to such a point John Doe is beginning to wonder who is the boss.

Just think: the citizens choose candidates who are already selected; the politicians deceive their electors, promote political prejudice, make speeches stuffed with distortions of the truth and half truth, strive to repay their fund subscribers and faithfully serve those who have the money. I could name several of them here in this house.

Think also of the system of political patronage used to hand out the right to live for the price of degradation, abuse and delation. Think of the civil power, which should govern from above, as a sovereign and supreme judge, in all fairness and only in the interest of the common good and of justice. It has fallen to the level of a slave and has become the manageable instrument of all passions and ambitions of private interest.

The inability shown by statesmen throughout the world to solve the problems facing them is the underlying cause of crisis and wars which have been suceeding each other for several decades.

Why should the province of Quebec alone have almost half the jobless in Canada, or more precisely 36 per cent of them? Do they want to aggravate the virtue of patience which characterizes us?

If the democratic nations had succeeded in distributing the products of industry to the people, they would never have had to face the terrible threat of totalitarian states.

We, in America, are at present going through a crisis, we have to spend billions of dollars, we have to abandon our traditional occupations, and to support the staggering burden of taxation and indebtedness simply

because democracies did not have in the past enough social awareness to give the essentials of life to every element of the community.

They ignored the fact that if they neglected to operate the system equitably for all, they would bring about indirectly destruction of democratic capitalism.

The only thing for us to do is to take the necessary means which Social Crediters have been advocating for years and years: a national dividend to all members of the community, supplemented by compensated discounts.

If, after such evidence, people still want to close their eyes to reality, we repeat that the true enemies of democracy are within and the day will certainly come when public opinion will send them one by one to its merciless tribunal.

Error cannot always win over truth.

But there is in this world, no intelligent being who after having pondered the matter at any length who would not admit the truth of my repeated statements. That may have been why Henry Ford said:

> If the American public knew of the corruption of their money system, there would be a revolution tomorrow morning.

The basic evil is that the leaders of all our democracies refuse to admit the current reality or do not want to realize that humanity has reached a stage in its development where productivity is so enormous that the whole system of wage payment and other similar forms of remuneration or distribution have become entirely obsolete and must make way before a system based on an accurate assessment of the facts.

Well understood Social Credit is genuine enough not to be against anything in a negative manner; it is simply for the complete truth, in order to take its place in a well balanced community.

We are wondering what the old governments have done to build up a debt-free system, a monetary system based on existing production and on production potential. What have our two old governments done to guarantee to everybody, out of our gigantic production, the vital minimum required? What pieces of legislation have they enacted in order to protect large families? What legislation have they passed to protect farmers and settlers, apart from the system of debts that we have now?

Social Crediters have been shouting for 35 years now: since the store-houses are full, it is possible to put something on the tables; since the warehouses are bulging, we can also fill the houses; since merchandises are piling up in the stores, we can put some in the homes so that each and everyone receives the share which is his through progress and science transmitted from generation to generation.

(Text):

Mr. Arnold Webster (Vancouver-Kingsway): Mr. Speaker, I wish to be associated with the congratulations and expressions of appreciation that have been extended to all presiding officers of the house during this debate. Anyone who values our parliamentary institutions must recognize the necessity of orderly procedure based on self-discipline and respect for the authority of the Speaker. The alternative is anarchy.

Since the opening days of the twenty sixth parliament I have frequently thought of two former Vancouver members with long records of service in this house. One is Angus MacInnis who represented Vancouver East and later Vancouver-Kingsway continuously from 1930 until 1957, and the other is Howard Green who sat for Vancouver Quadra from 1935 until 1963. Although Mr. MacInnis is a Prince Edward Island socialist and Mr. Green a British Columbia Conservative, these gentlemen have much in common—humility, integrity, courage and dedication to the public good. I am sure that all members who knew them will join with me in wishing them good health and many happy years of retirement on the Pacific coast.

The speech from the throne reminds us of our association with the commonwealth, of the meeting of prime ministers last year and of the brief visit of our present Prime Minister (Mr. Pearson) to the British Isles early this month.

There have been many meetings in London since the first conference in 1887. In the beginning they were called colonial conferences, then imperial conferences and later commonwealth conferences. It is significant too that in 1887 those who attended were not even members of parliament but government officials who met under the chairmanship of the British colonial secretary. Now the prime ministers of the autonomous states meet as equals.

From 1897 until 1911 Sir Wilfrid Laurier constantly opposed the Chamberlain policy of political federation with a central parliament in London, and from 1915 until 1919 Sir Robert Borden insisted that the time had passed when the British prime minister could speak for the whole empire, and successfully urged that each dominion could be bound only by its own ministers in the imperial war cabinet, at the Versailles peace confer-

ence and later at the league of nations. Canadians should remember with gratitude the leadership of Laurier and Borden at a critical time in our national life. They spoke out frankly on behalf of this young nation. What Sir Wilfrid referred to as a "galaxy of nations under the British crown" Sir Robert described as "autonomous nations of an imperial commonwealth". Had their vision been less clear and their courage less strong, the course of this country and of the commonwealth would have been very different.

The commonwealth has no parallel in history. Centralized empires there have been, colonies there have been which have become independent states, but there have been no other instances of colonies becoming free and then turning to co-operative association with one another and with the mother country. This political evolution has been the result, not of breaking sharply with the past nor of standing by and allowing matters to drift, but of developing and extending proven institutions to fit new circumstances.

Once again the British genius for government, for adaptation and compromise, is being tested as she considers a new relationship with her neighbours on the continent of Europe. The attitudes of men all over the world are changing. A few years ago who would have thought that western Europe would be bringing itself together in a dynamic economic and political association where old traditional rivalries and state sovereignties are being submerged in a new pattern of public administration that can only be described as revolutionary? Dissolution of a centuries old empire has been accepted, even accelerated by Britain herself. So, too, all over the world we have this greater conception of human brotherhood, of a common humanity which defies our old ideas of a static world and demands a new dimension in our thinking.

In Canada only men of little faith and narrow vision fear this historic development. This must be Britain's decision. It remains for the Canadian government to respond with good grace and with energy and resourcefulness in taking advantage of new trading opportunities wherever they may appear. I have no doubt that the commonwealth will continue to grow in strength as a unique instrument for peace and progress throughout the world. To this end the Canadian government should play a leading role in improving the means of communication between the component parts of the commonwealth and in promoting co-operative measures at the world trade conference to be sponsored by the United Nations in 1964. I was pleased to read the following comment of Lord Home, British foreign minister, in the Ottawa *Citizen* last week:

> It is an excellent thing to see Canada playing an active part in the political councils and economic activities of the commonwealth as she approaches her centenary.

The speech from the throne implies quite correctly that the most vital question before mankind today is to learn how to live together without plotting to destroy one another, in brief, to avoid nuclear war. To this end Canadians should associate themselves with others to create a world climate that is conducive to peace everywhere. Scientists and artists do it in their areas of interest and activity, as demonstrated at the UNESCO festival in Ottawa last week. Why not politicians? We must be humble enough to adjust our attitudes to other people who may have coloured skins, speak strange tongues and worship foreign gods. We must learn to understand and trust people, all kinds of people, if we wish to survive the twentieth century.

If an individual claimed for himself the self-righteous moral values that public men and writers attribute to our nation, he would be considered beneath contempt. But to talk of the foreign policies and attitudes of our own country in anything less than superlatives which pay solemn tribute to our nobility and high moral purpose is to be unpatriotic. In very truth, according to our present standards humility and patriotism are incompatible.

When Oliver Wendell Holmes was over 80 years of age he once declared that he had spent the first 70 years of his life learning that he was not God.

In the United Nations assembly delegates speak with respect of one another in discussing the most controversial subjects. But in national parliaments like our own House of Commons we are inclined to refer in derogatory terms to countries with whom we are not aligned in the cold war. We should stop thinking in absolute terms of black and white, good and evil, slave and free.

I wish to present four witnesses who remind us that we have a responsibility to examine our own minds in relation to other people. Sydney Harris in a column last week in an Ottawa paper said this:

> None of us should listen to a man giving a lecture or preaching a sermon on his philosophy of life until we know how he treats his wife, his children, his neighbours, his subordinates and his enemies.

Raymond B. Fosdick, in a recent article in the New York *Times* commenting on a statement of Admiral Radford's that "we cannot trust the Russians", said this:

> It may be true, but that is also what the Russians profess to think of us. That is what the Athenians under Pericles said about the Spartans. It is what the Romans said about the Carthagenians. It is

what both Catholics and Protestants said about each other in the 16th century as they began a hundred years of reciprocal slaughter. It is what many modern nations have said about one another in two recent world wars. It is what the north and south charged a century ago here in the United States as they plunged into a fratricidal mania from which even today we have not fully recovered.

My third witness is Prime Minister Harold Macmillan who, on November 6, 1962, said in the British House of Commons, and I quote:

We must not be cynical and believe nothing but ill of certain classes of our fellow men—much as we may dislike the doctrines they follow. One cannot live in a world which is just nothing but suspicion and fear or life becomes intolerable.

My next witness is U Thant, secretary general of the United Nations. In closing his acceptance speech to the assembly on November 30, 1962, he spoke very earnestly as follows:

These problems can be solved only by good will and mutual understanding and by a spirit of give and take.

When the future of mankind itself is at stake no country or interest group can afford to take a rigid stand or claim that its position is the only right one and that others must take it or leave it. No difficult problem can be solved to the complete satisfaction of all sides. We live in an imperfect world and have to accept imperfect solutions which become more acceptable as we learn to live with them and as time passes by.

The speech from the throne reminds us that Canadian unity is being threatened at the very time we are preparing to celebrate 100 years of confederation, and at the very time when we need to be strong to play our full part as a young and vigorous democracy in world affairs. In Quebec, the advocates of withdrawal from confederation repudiate 200 years of nation-building, including the glorious periods of Papineau and Mackenzie, Laurier and Borden and more recently King and St. Laurent.

Let us not forget, too, that every province has been strengthened and enriched by thousands of industrious and gifted French Canadian families who have made their homes in all sections of this country from the maritimes to British Columbia. Their contributions to Canada and their interests must be considered in any future plans designed to strengthen confederation. Ignorance on both sides is our greatest danger, a continual source of misunderstanding and irritation between English speaking and French speaking Canadians. In spite of modern means of communication and travel, Canadians in the west and Canadians in the east remain strangers in many ways. A reporter in the *Globe and Mail* a few days ago advised us to plan a do-it-yourself birthday party for 1967. This is an excellent suggestion. However, I would urge that we expand the idea and call it a get-acquainted party.

To this end, I recommend that we stop thinking of Canada as a melting pot. This conception of nation building is outdated, unrealistic, unimaginative and destructive of important values. We should seek unity through variety not similarity; unity through mutual appreciation, not through dull conformity; unity through justice, not through discrimination. At all costs, let us avoid becoming a nation of sheep. Mahatma Gandhi once said, "I like to think of the winds of time blowing the cultures of all lands around my doorstep".

We must build greater respect and understanding for one another in the fields of education, culture and sports, as well as commerce and industry. Exchange of language teachers at the secondary school level and of university students should be encouraged between Quebec and the western provinces. Furthermore, there should be an immediate speeding up of plans to teach the French language to more and more elementary school classes across the nation. In this connection, I recommend that all hon. members read the challenging article by Pierre Berton in the latest issue of *Maclean's* magazine.

A democratic society calls for a maximum development of every individual as a worker and as a citizen. No Canadian, regardless of the poverty or isolation of his home, should be neglected. In order to provide instruction and training for all who can benefit from it, governments must give high priority to school and university budgets. The local taxpayers cannot be expected to carry the major burden. The federal government should support higher education and research on a new and imaginative scale as recommended in scores of recent reports on this subject. I hope that the absence of any reference to this subject in the speech from the throne does not mean that this government contemplates a backward step in this department.

Canada will become a second-rate nation if we do not recognize education as a major social enterprise of national importance. If we do less we will make a farce of the boast that we believe in equality of opportunity for Canadian youth.

A study of biculturalism is to be commended. However, much can be done now by public spirited leaders in every community. Let us encourage the wider use of our present means of communication and travel. Let us remind our fellow Canadians that we own a Canadian broadcasting system with both radio and television in both English and French; trans-Canada railway and telegraph service; an air line, and a trans-Canada highway which permits one to motor at top speed

across this nation. Let us encourage more people to use their own facilities to move east and west instead of north and south. It would be good for all of us.

Thousands of our friends go south every summer from force of habit. The same situation prevails in British Columbia, Ontario, Quebec and Nova Scotia. Let us change the direction of our holiday migrants for the good of Canada. "Let's get acquainted" should be a major objective of the centennial committee.

However, if we are to have a strong, united Canada, this parliament should be content with nothing less than full employment long before 1967. Nothing contributes more to frustration and bitterness or loss of confidence in one's country and its social system than long periods of unemployment. The relatively poor economic conditions in Quebec provide a major source of discontent among the working people and farmers in that province. To a lesser degree, this is true in all areas across the dominion.

Bold measures must be taken to expand production and distribute goods to both domestic and foreign markets on an enlarged scale. This is the challenge to those who have the responsibility for introducing and administering the various planning bills foreshadowed in the speech from the throne. Unemployment is the most outstanding weakness in our Canadian economy today. Both the public and private sectors must co-operate with the government, management and labour to develop means of working in concert towards the objective of full employment.

The Vancouver *Sun*, a staunch Liberal paper, in commenting on unemployment demonstrations in England said this in an editorial, and I quote:

> Here in Canada few if any delegations plague our M.P.'s in the corridors of the house. Here, even in the midst of a federal election campaign, unemployment is little stressed as a major national issue.
>
> The Englishman becomes agitated, indignant and mildly violent when less than 5 per cent of the national labour force is unemployed. Canadians, with 8 per cent of the labour force idle, show no similar trepidation.
>
> Does this show that we are qualified to instruct the emotional Englishman in respectable restraint and political propriety? Or are we just hardened to unemployment?

Thirty years ago this July, in London, I heard a Scottish miner by the name of David Kirkwood cry out from his seat in the House of Commons, "Mr. Speaker, the work is all done". This is an exaggeration, of course. However, his remark contained an important truth which we are just beginning to appreciate in this age of automation as revealed, for instance, in many of the recommendations of the Glassco commission.

Is it true that we have become hardened to unemployment? Last Monday, after speaking for almost two hours, the leader of the official opposition made an offhand reference to unemployment. He said that one of his lieutenants would no doubt deal with the matter later in the debate. Apparently the subject was of no great importance. It would be interesting to know if the present Minister of Trade and Commerce (Mr. Sharp) is still of the opinion that 2 per cent or 3 per cent unemployment must be expected in this country as a matter of course. In a citizen's forum debate with the hon. member for Winnipeg North Centre (Mr. Knowles) last winter the minister, then plain Mr. Sharp, said:

> I should think this is about the sort of minimum level of unemployment that is compatible with the free working of the system.

In answer to this statement Mr. Knowles remarked:

> I think Mr. Sharp let the Liberal cat right out of the bag. He said the level of unemployment should be as low as is possible being compatible with the system. There is the Liberal approach—keep the system that we've got. That is more of a god than getting rid of unemployment. We say if necessary change the system to get rid of unemployment completely.

If medical scientists had accepted diphtheria, tuberculosis, small pox or diabetes as incapable of treatment, would we ever have found the means of preserving the health of countless thousands of people in the past 50 years?

If the current illness in our economy requires new procedures, new controls—"human direction" to quote Lewis Mumford—they should be undertaken in the interests of a strong, healthy, happy Canada. A few weeks ago the Minister of Northern Affairs and National Resources (Mr. Laing) responded in a matter of hours when flood conditions in the Northwest Territories endangered the lives of our fellow citizens. We applaud him quite properly for his initiative, energy and compassion, but why do we not display the same kind of concern for the families of the half million men and women who are without work across the country? Intelligent people know that this depressed condition will be ignored at our peril.

If Canada is to be united and strong as it approaches its centennial, the government must take bold and decisive action to place legislation before us in this session that will prove effective in meeting this human tragedy.

In closing, I wish to quote a statement by the late Archbishop of Canterbury, Dr. William Temple:

> If a bridge is to be built, the church may remind the engineer that it is his obligation to provide a really safe bridge but it is not entitled to tell him whether, in fact, his design meets this require-

ment. Similarly, when the church is asked to provide the Christian remedy for unemployment it must answer, 'No, I cannot tell you what is the remedy, but I can tell you that a society in which unemployment is a chronic feature is a diseased society and if you are not going to do all you can to find and administer a remedy you are guilty before God.'

I thank the house for its attention.

Mr. Joseph Macaluso (Hamilton West): Mr. Speaker, may I also, in the time honoured tradition of the house, congratulate you on your appointment to the high position which you hold, and may I congratulate the Deputy Speaker on his appointment. I would also like to take this opportunity of following my colleagues on both sides of the house in congratulating both the mover and the seconder of the address in reply to the speech from throne, the hon. member for Northumberland (Miss Jewett) and the hon. member for Lotbiniere (Mr. Choquette). May I say too that I am proud to be a member of the party which is now in government, and especially proud to be led by the Prime Minister (Mr. Pearson).

I am most happy and proud to have been elected by the people in my riding of Hamilton West as their representative in this house. My predecessors have represented the riding with distinction, and I pray and trust I shall follow in their footsteps. Hamilton West is composed of many diverse peoples of diverse occupations—the labourer, steelworker, small businessman, executive, industrialist and financier. Within its electoral boundaries are to be found industry, McMaster University with its nuclear reactor, the business, commercial and financial centre of the city of Hamilton, the new city hall of which all Hamiltonians are justifiably proud, and the new county court house of the county of Wentworth, which is the finest court house not only in the province of Ontario but in all of Canada at the present time. Also within its electoral boundaries is the port of Hamilton, one of the most important ports on the great lakes and St. Lawrence waterways system, and it also contains some very fine residential areas, both old and new.

In the speech from the throne there are proposals which, when translated into legislation and approved by the house, which I fully expect they will be, will be of great benefit to the people of my riding and to all other Canadians. I will not touch upon all of the proposals, as previous speakers have adequately done so. Instead I shall restrict my comments to a few, those which are of the utmost importance to my riding and the people of Hamilton generally.

The city of Hamilton is justifiably known as the "ambitious city." It is the industrial and steel centre of Canada. Industry is the lifeblood of this country, and the steel industry is the lifeblood of the people in Hamilton, not only of the steelworker but of those in all fields of enterprise within the city. Therefore the immediate establishment of a department of industry to foster industrial expansion and provide the many new jobs that are so badly needed, in order to check the large scale unemployment of recent years, will be anxiously looked forward to by the people in my riding.

As an alderman in the Hamilton city council for ward 2, a ward wholly situated within the electoral boundaries of Hamilton West, and which seat I will soon resign, I can say that the intention of the government to establish a municipal development and loan fund is a great step forward in the long awaited additional assistance from the federal government to the over burdened budgets of our municipalities, in order that capital projects can be commenced and completed, not only to provide and improve services but also to provide further means of employment.

My constituents in Hamilton West will be especially and particularly interested in the proposed amendments to the National Housing Act. Hamilton, as I have said, is known as the ambitious city, but it is also a gracious city. Its hand is extended in friendship to all who come there for a visit, or to make the city their home. Hamilton West has much to offer—good business opportunities, complete shopping facilities, pleasant residential areas and an excellent school system from kindergarten to postgraduate university level. However, parts of our city are getting old; some are well over 100 years old. Many of the original buildings still remain, and the street pattern has been virtually unchanged since it was first laid down.

Urban renewal and development is a reality in our city. Already there has been acquired and cleared in the Van Wagner-Crescent Beach area some 72 acres of waterfront property on lake Ontario, which consisted of blighted and low density residential homes. This area has been cleared and is presently being developed as a public park and recreational area. Further, a plan of urban renewal and redevelopment has been prepared by the city of Hamilton for the northeasterly section of my riding, encompassing an area of some six blocks, which plan has been approved by the city council and is awaiting the approval of the Ontario municipal board.

Much has been said, a great deal has been written, and not too much has been done about urban renewal in Canada. Urban renewal is a city-wide program in which all available federal, provincial, municipal and

private resources should be applied to eliminate blight, slums, and to prevent their formation. Urban renewal has four main purposes so far in this country—clearance, redevelopment, rehabilitation and conservation.

Public acceptance of urban renewal as a concept has advanced further in the United States than in Canada, and particularly so, as it relates to assistance from the federal government. The present urban renewal program in Canada has been too narrow to cope effectively with the basic problems facing our cities. If our cities are to recapture their economic health they must offer better opportunities to commercial, industrial and residential developments and strengthen the cultural and recreational facilities of their cores.

The extent to which a federal government should be a direct participant in the financing of urban renewal is a matter which leaves room for a difference of opinion. In the United States the federal government enters into a direct contract with the municipality concerned. Under part 5 of the National Housing Act of Canada arrangements may now be made with a province or with a municipality with the approval of the province to conduct studies of the condition of housing and urban areas. Federal contributions may be up to 75 per cent of the cost of such studies. There is further provision for clearance grants in the amount of one half of the difference between the cost of clearance and the economic value of the land when cleared. The remaining 50 per cent of subsidy is financed by the province and/or the municipality as determined by the province. The important thing to note here is that clearance grants have only been made available for the purpose of clearing land which is substantially residential and which is to be redeveloped substantially in a residential form. At one time in the United States the same was true, but there has been progressive widening of use of their clearance legislation to a point that urban renewal funds may now be used for non-residential renewal projects deemed necessary for sound community development.

It is in this aspect, Mr. Speaker, that we should turn our attention to the proposed amendments to the National Housing Act, that is, in the area of providing funds for non-residential renewal projects, which is so badly lacking at the present time in our legislation; in other words, for the renewal and redevelopment of the commercial core of our cities. All in all, quite a job is being done in Hamilton, and particularly in Hamilton West, where new high-rise apartments are being erected almost monthly. This is changing the character of the southern section of my riding from clearly a residential to a more commercial area. However, the funds provided for these projects are coming mainly from private investors. The targets of those interested in urban renewal in Hamilton are considerably higher than even the accomplishments to date.

Renewal and redevelopment of the central core of Hamilton, which is situated wholly within my riding, would have three parts, I suggest—commercial, public building and residential accommodation. With respect to commercial redevelopment and public buildings, Mr. Speaker, there is no lack in Hamilton West of vacant land in the areas suitable for those developments. All along our downtown streets we find vacant land which has been created by the demolition of obsolete buildings, demolished because these structures created rentals insufficient to pay the taxes on them and the expense of operating them. Vacant land for parking gives a better net return. Our taxation system has been an important clearance tool in the commercial but not the residential field. The city of Hamilton is concerned, as are many other municipalities, about its downtown core because it feels that development must take place in that location but finds that it does not have funds to carry on the project itself. Municipal government finds itself in the position of being obliged to finance and provide public services to a scattered population in the maximum use areas and simultaneously trying to extend public service to a scattered population in the farflung new fringe areas. Inadequate city living started the rush to the city limits and beyond to the urban fringe and the suburbs.

City living can be made as desirable and satisfying as life in the suburbs. To attain this goal, however, requires more than cleaning of backyards and of painting of houses or any aspect of the "clean up, paint up, fix up" campaigns. The problem is complex and so is also the solution. Urban renewal is a continuing process and in the final analysis it will be up to the federal government to see to it that a workable program is adopted and put into practice in the field of commercial redevelopment.

I would like to quote a few excerpts from the Hamilton *Spectator* of Saturday, May 25, 1963, which to a certain degree shows the extent of the problem in Hamilton and Hamilton West in the redevelopment of commercial areas. I quote from an editorial by Tom F. Mills:

> Before the inferiority complex becomes too complex, it should be said that good planning has gone into the north-end urban renewal area, and much work done on it by city planners. But people who come here from out of town know what they

see and feel. Just about a year ago, William Zeckendorf, Jr., president of Webb and Knapp, Inc., leading redevelopers, made a controversial assessment: "Hamilton is in need of complete revitalization of its downtown core." Without immediate action, he said, there could be complete deterioration, and he urged efforts to have Hamilton industries build office buildings downtown.

This to date has not been very successful, Mr. Speaker. He goes on:

—we think perhaps the most significant comment about Hamilton was made here only in March by Mr. John James, planning chief for Great Britain's ministry of housing and local development.

Mr. James said, according to this article:

There is a loose fabric in Hamilton which is very odd... I would like to see more heartbeat in the downtown area.

Mr. Mills then goes on to say:

A favourable sign is renewed talk of an auditorium and of other proposals stirring in the downtown sector; there are indications that the graph of civic spirit is rising. And of course there is more to town planning than the creation of zoning areas and the drawing of land use maps, basic as these are in a properly planned city. But we must also have the stimulus of optimistic architects' sketches of pedestrian malls, public parks and buildings downtown.

The "loose fabric" sensed by Mr. James must be drawn tight; the heartbeat made stronger so Hamilton can restore itself to a proud position among the great and progressive cities of Canada.

I do not wish to show by these comments, Mr. Speaker, that Hamilton is not progressive and is not advanced but I merely put this forward to show that the problem which exists in Hamilton also exists at this time in many of our municipalities and cities, for example, the metropolitan area of Toronto. In order to revitalize our downtown cores the federal government must take steps in moving forward with amendments to the National Housing Act to extend grants for urban renewal, not only for urban renewal in residential areas but also urban renewal in the commercial field. Urban renewal and development has another aspect in that it is more calculated to stimulate our economic recovery, provide more jobs and create further employment.

Mr. Speaker, may I call it six o'clock.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

Mr. Macaluso: Mr. Speaker, at six o'clock recess I had just completed discussing the proposed amendments to the National Housing Act which were set out in the speech from the throne, and I had completed stating my view that the government must take into consideration amendments to the National Housing Act dealing with grants for urban renewal and extend them from the clearance field of residential areas and development of residential areas to grants for commercial redevelopment in the downtown core of our municipalities.

Mr. Speaker, I should like at this time to refer to the following words which appear in the speech from the throne:

Immigration policy will be reviewed.

In an earlier section the speech says:

The character and strength of our nation are drawn from the diverse cultures of people who came from the many lands to create the Canada that is ours today.

I should like at this time to quote from an editorial in the *Globe and Mail* of May 9, 1963, where it states:

Immigration was up by 1,648 during the first three months of 1963 over the first three months of 1962; but Canada can take no credit for this microscopic gain. Most of the increase in the flow of new residents came from the United Kingdom, and the Britons were not so much coming to Canada as getting away from the rigours of the worst winter Britain has known this century.

A revision of the Immigration Act, Mr. Speaker, has been long overdue. The core of Canada's immigration policy is contained in section 31 of the immigration regulations. The Leader of the Opposition (Mr. Diefenbaker), when prime minister, devoted much of his oratorical talents to the cause of civil rights for all, but he and his government procrastinated about amending the Immigration Act. This is not hard to understand, for immigration policy offers a test of a government's convictions. The Immigration Act of 1952 is and remains an anachronism. The former government brought about reform through changes in the regulations, but one might become suspicious of flexible and seemingly liberal regulations because the effect of these regulations depends upon interpretation and administration, and leads one to question whether they will be administered in a liberal manner, or will they be a mask for selection by race?

There is room in Canada for skilled workers; we all know this. However, prosperity in Europe is making it more difficult to find skilled immigrants and to encourage them to come to Canada. Again quoting from the same editorial it says:

Canada is a large, rich, empty country that needs immigrants as much as, if not more than, any country in the world. We need their skills to make new industries to make new jobs. We need their consumption to increase the size of our domestic market, reduce our per unit cost of production and make us more competitive at home and abroad. We need their presence to fill up the empty holes and make it possible for us to become a nation.

Beyond our own needs we have a responsibility to the human race in general. While more than half the world's people live in grossly overcrowded conditions, we cannot morally justify keeping them out of one of the last pieces of scantily populated real estate on the globe ...

In spite of our needs and in spite of our responsibilities, Canada has seldom sought immigrants. Most of our governments have taken the attitude that it was kind of us to let them in, a kindness we managed not to bestow too freely, especially among the non-white, and were reluctant to bestow at all if there happened to be any unemployment at home.

I suggest that this is, of course, quite natural in light of our economic life these days. As far as the unemployment situation at home is concerned, we must have a planned program of immigration. The editorial goes on to say:

It is a policy, or lack of it, that has kept us people-poor, and no nation can fully develop its other resources if it does not have sufficient of the human sort.

Canada today is a country of vast potential wealth and of resources almost unlimited. The immigration policy of Canada must therefore be conceived in broader terms. I do not intend to spend any more time on this particular aspect of our immigration policy, Mr. Speaker. I am sure that this government when reviewing the Immigration Act will see that amendments are required not only to the regulations but to the act itself.

(Translation):

Hon. Theogene Ricard (St. Hyacinthe-Bagot): Mr. Speaker, I am pleased to join with all those who spoke before me in congratulating the hon. member for Mount Royal (Mr. Macnaughton) who, because of his fairness and sense of justice, will perform his high duties with a great deal of tact and to the general satisfaction.

As for your own nomination to the office of Deputy Speaker of the house I am happy to tell you that you too have all the required qualifications to carry out satisfactorily the duties of your office. I know that you will see to it that every member is treated fairly in all circumstances.

I should also like to take this opportunity to congratulate the worthy member for Northumberland (Miss Jewett) and the hon. member for Lotbiniere (Mr. Choquette) on the manner in which they performed their task. Frankly, when one considers what little there is in the speech from the throne, it must be admitted that those two members, newly elected to this house, have accomplished a tremendous task in attempting to analyse its contents.

[Mr. Macaluso.]

I would also like to take this opportunity to congratulate the ministers and all those who were given a post or a promotion, whether as ministers or parliamentary secretaries, and to wish them health and success. I will co-operate with them as much as I can and I hope that their "tour of duty" in Her Majesty's service will be profitable to the Canadian nation.

Mr. Speaker, following the example set by my friend the hon. member for Îles-de-la-Madeleine (Mr. Sauve), I would like, before making the few remarks I want to make about the speech from the throne, to review some of the events that occurred during the last election campaign and even during the last two.

If it is true that, in my friend's riding of Îles-de-la-Madeleine, some strange things happened, he should not have dealt only with what took place in his own territory; he should have gone here and there in the province of Quebec and he would certainly have seen things to make one's hair stand on end.

Not only has there been in our part of the country, people who came along without having the required voting age, but much more surprising things were done by people who have always given themselves as symbols of electoral honesty.

That certainly gives us food for thought. As in other ridings, there has been in my riding of St. Hyacinthe-Bagot a lot of money which is said to have come from beyond the 45° parallel, a lot of money which was thrown into the Liberal election fund in order to help my opponent to win. But even if there was plenty of money, and plenty of liquor bought with that money, the fact remains that, for the fourth consecutive time, the voters of the riding of St. Hyacinthe-Bagot have elected me to come here and look after their interests. I should not want to miss this opportunity to thank them for the confidence they have put in me for the fourth time and to congratulate them for not having been deceived by the propaganda—that is indeed the proper word—the deceitful propaganda used against me.

I say to the hon. member for Îles-de-la-Madeleine that there is nothing they did not attempt to try and eliminate the member for St. Hyacinthe-Bagot.

But, thanks to the sound judgment of the folks back home, I have returned here and expect to come back when once again I am given the opportunity to seek another mandate.

Mr. Speaker, I shall limit my comments on the last election campaign to just a few words, because I wish to go back a little and ask my colleagues to join me in going through once again the few weeks which preceded the election days of June 18, 1962, and April 8 of this year.

Mr. Speaker, you will recall that during the 1962 election campaign there was nothing left unsaid against us by our opponents, who even accused the Conservative party of leading the country to bankruptcy. Indeed, if we were to believe those who campaigned against us, the end was in sight and our children were even to find it very hard to get their three meals a day. So, I should like to put some figures on record to compare the situation in 1962 with that of 1956.

But before doing so, since I represent a mixed riding, partly rural and partly urban, where agriculture is much honoured because its farmers are among the most progressive and hard-working people in the province of Quebec, I wish to make a few remarks on the subject of agriculture. I can assure you that I shall not deal at length with the matter since my colleague from Nicolet-Yamaska (Mr. Vincent) has already given a brief but very lively picture of farming in our area, where he compared the present situation with that which prevailed under the former Conservative administration.

Mr. Speaker, I cannot but regret that the first measure taken by the present Minister of Agriculture (Mr. Hays) has been detrimental to agriculture in our country. I shall use the very words spoken by the minister to say that the first measure that his colleagues in the cabinet agreed to was one which deprived the Canadian farmers of a yearly sum of $6 million.

In fact, under the Agricultural Stabilization Act, the Conservative government established a payment of 25 cents per hundredweight for powdered milk. Well, in order to help the farmers, the present Minister of Agriculture found nothing better than to recommend that this premium be abolished and, in one fell swoop, he deprived the farmers of an annual income of $6 million.

Mr. Speaker, if that is the re-adjustment that the farmers are to expect and were promised with such fanfare during the last election campaign, in short, if that is all the Liberal government can give agriculture, I am of the opinion that the farmers will long remember the coming to power of the Liberal administration headed by the member for Algoma East (Mr. Pearson).

It may be that we must see in such action the penalty to be meted out to the farmers for having shown, almost everywhere in the country, their attachment to the Conservative party, because in man's memory no other government has done so much for the farmers in the short period of six years, than the one led by the present Leader of the Opposition (Mr. Diefenbaker).

Mr. Speaker, when we assumed office, Canadian agriculture was going through a critical stage. Farmers could hardly sell their produce. This state of affairs was due to the fact that our predecessors had not realized or did not want to admit the necessity, once the world war ended and stability was restored in Europe, to adopt measures aimed at securing markets abroad. However, that has been the daily concern of the hon. member for Qu'Appelle (Mr. Hamilton) who carried out with vigour and to the satisfaction of all farmers his role of minister of agriculture. In fact, the member for Qu'Appelle is well known in our area as being the greatest minister of agriculture Canada ever had.

Many times he stated that the farmers' income, especially that of the eastern farmer, was not adequate. He stated that priority should be given to eastern agriculture and that is what he did during his term of office as minister of agriculture.

In this connection, I could quote many articles published in Canadian newspapers which leave no doubt as the main objective of the last minister of agriculture in the Conservative administration; he wanted to satisfy all farmers, including those from Quebec, and give them a reasonable share of the national income.

And to continue along the same line, the Liberal party which promised to give everything, to renovate everything for the benefit of eastern farmers, is the one which has done most to lessen the role of the farmer and, particularly that of the Quebec farmer. I have here a circular published in a St. Hyacinthe newspaper in which Mr. J. B. Lemoyne was presented as the agricultural genius who would use his knowledge and talents to the benefit of eastern farmers. Now, at the general election of 1962, the very man who was considered as the potential minister of agriculture in the Pearson cabinet after June 18, 1962, was defeated by a majority of over

3,600 votes, and I think that the hon. member for Matapedia-Matane (Mr. Tremblay) must be glad of the treatment he received this year at the Liberal convention, since it was "packed" so as to eliminate him completely—

Some hon. Members: Oh, oh.

Mr. Ricard: Mr. Speaker, I see that my hon. friend from Argenteuil-Deux-Montagnes shakes his head. I know what I am talking about, because unlike what the hon. member for Argenteuil-Deux-Montagnes did last year —and I shall probably come back to this later—I am not given to talking through my hat.

Mr. Lemoyne, who was discussed here this year, was cast aside by the Liberals as were also at a certain convention, some 15 farmers who were competing for the honour of being chosen as official candidates of the Liberal party throughout the province.

But since the Liberals do not want to give too much importance to the farmers, they devised means to eliminate them all, one after the other.

Mr. Speaker, we of the Conservative party have been accused, during the last two election campaigns, of remaining idle and leading the economy into stagnation. In the few minutes left to me, I would like to compare some concrete achievements of ours with what was done before us by the Liberals.

We passed several pieces of legislation the immediate result of which was to help particularly our working class, such as vocational training, special training courses for the unemployed, winter works and municipal loans.

To help the little people, we reduced the personal income tax and increased the personal exemptions.

All those measures benefited factory employees, average employees, in short the rich and the poor or those who have to work for a living.

With your kind permission, Mr. Speaker, I should like to compare, for instance, the position as it is now with that of the year 1956. Canadian sales to other countries have shown an increase of 31.3 per cent from 1956 to 1962. As far as personal income is concerned, Canada has even outstripped the United States by 7 per cent from 1956 to 1962. As a matter of fact, the increase in personal income from 1956 to 1962 climbed by 39 per cent while the increase in corporations' benefits rose by 32 per cent from 1956 to 1962.

During the same period, industrial production increased by 19 per cent while employment in the manufacturing industry showed an increase of 15.7 per cent.

Day after day in the house, and particularly during the last two sessions, hon. members opposite, who were in the opposition at that time, talked about unemployment. They said repeatedly that they had the solutions that would settle that problem overnight. But now, after 40 days of decision, I think, we still have unemployment and our hon. friends still have to apply their magic formula. Not only do they find it hard to agree on the steps to be taken but they contradict each other.

In the Ottawa *Citizen* of April 15, 1961, the Minister of Finance (Mr. Gordon) was quoted as saying:

> Full employment will be the main objective of a new Liberal government.

According to the Ottawa *Citizen* of February 27, 1963, this is what the Minister of Trade and Commerce (Mr. Sharp) said:

> Considering our harsh winter weather and our general economic set-up, there will always be a large group of unemployed in Canada.

And, as reported in the Vancouver *Province*, he stated the following on February 28:

> Those who claim that we will put an end to unemployment know nothing about Canada.

It seems to me that the Minister of Trade and Commerce should try to make his colleague the Minister of Finance understand that his evaluation of the situation is not true to facts.

It was also said, sir, that everything was in a bad way, that the country was going to the dogs under the Conservative government. Let us see what progress was made by the textile industry, the construction industry and the manufacturing industry in general. In 1956, the average weekly salary of the textile workers was $45.20, in November 1962, it was up to $68.70. The construction worker was getting an average salary of $72.10 in 1956, as compared to $87.60 in November 1962. With regards to the manufacturing industry in general, the Canadian worker was getting $68.50 in November 1956, while his weekly salary amounted to $84.50 in November 1962.

However, during that time, our hon. friends opposite did not miss a single opportunity of pointing out over and over again in this

house, and even outside this house, that the country was doomed, that it was heading towards bankruptcy.

I should like to deal with social justice for a few seconds. Here again, we were charged with doing nothing or practically nothing; but we have statistics to show that nothing could be farther from the truth. However, before giving statistics, I should like to put on the official record a statement made by the hon. member for Essex East (Mr. Martin) on old age pensions, as reported in *La Presse* on January 31, 1962. This is how the report goes:

In the field of social security measures, the Liberals have promised yesterday, through Mr. Paul Martin, to raise old age pensions to $75 a month as soon as they take over.

Well, I see nothing in the speech from the throne to the effect that the old age pensions are going to be raised. But still more interesting is this other statement published in the Ottawa *Journal*, on May 8, 1956, and which was made by the same member, that is the hon. member for Essex East. I quote:

(Text):

Health minister Martin has told city council the federal government cannot afford to raise old age pensions to $50 from $40 a month.

In a letter made public yesterday answering council's request for higher pensions, Mr. Martin said the raise would cost an additional $100 million a year. This year the pension bill would be $400 million.

(Translation):

Mr. Speaker, those are the people who in so little time have changed their views to such an extent in so many different circumstances that one wonders whether they are sincere. I do not hesitate to say, as other members suggested in this house, that their only concern, since they are eager for power, is to use all means at their disposal to secure power. They are obsessed by power and they are ready for anything in order to get votes.

Again according to an item published in *La Presse*—as you will see for yourself, Mr. Speaker—there is an obvious lack of sincerity. This is what I find in the February 1, 1962 issue of that newspaper under the heading:

Ottawa cannot afford to increase old age pensions.

And that was at a time when hon. members in this house were promising an increase in the old age pension. In the other place, a distinguished senator said he was opposed to the increase of the old age pension from $55 to $65 a month. I say this to prove that we are justified to doubt the sincerity of those hon. members who now sit on the treasury benches.

Let us now compare the amounts paid out for social security by the government which preceded us, that is for the fiscal year 1956-57, with the amounts paid out under the Conservative administration for the fiscal year 1961-62.

Under the heading of payments made by the federal government to the provinces for health and social welfare, it is noted that in 1956-57, an amount of $75 million was paid to the provinces, while under the Conservative government the amount is of the order of $527 million, an increase of 603 per cent.

In regard to the increase in the benefits to disabled persons, in 1956-57, the Liberal government paid out $5 million, while under the Conservative government, an amount of $20 million was paid out during the fiscal year 1962-63, that is approximately—

Mr. Denis: You are talking about two different centuries.

Mr. Ricard: The Postmaster General has just made his annual contribution.

The sums allotted to family allowances, under the Liberal government, amounted to $398 million, while in 1962-63 under the Conservative administration, they amounted to $536 million, that is an increase of 35 per cent.

And now, Mr. Speaker, what about increases—

Mr. Deputy Speaker: Order. I am sorry to interrupt the hon. member, but his time has expired.

(Text):

Mr. Steven Otto (York East): After some 40 years, Mr. Speaker, during which the riding of York East has been heard from seldom in this house, I am very honoured and York East is very honoured to present its maiden speech —if after a period of 40 years it could still be called a maiden speech. I am sure that hon. gentlemen will indulge me for a moment in order that I may put on the record some remarks about the riding. In this way, at least this generation of hon. members will know that it exists.

There are about 80,000 souls in this constituency. We are jammed in between the staid old city of Toronto, represented here by the hon. member for Broadview (Mr. Hahn), and the sprawling suburb of Scarborough. We have the characteristics of both, part city and part suburb. We have very few large industries in our riding and very few men of considerable wealth. We have mostly small industries and small businesses. Most of us earn our daily bread by the sweat of our brow receiving, I would say, somewhat less than $60 per week upon which we try

very hard to feed, clothe and shelter ourselves and almost three children. This is no easy task as most hon. gentlemen here will agree.

We hope for better things. We hope that in time we shall be able to share in the bounty of this country, along with other Canadians, and we do not agree that we have never had it so good. We have to have it better, and we will have it soon.

I heartily agree with the policy set down by the government which states that unemployment is our most pressing domestic problem, and I am pleased the government intends to take every possible step to help encourage industrial growth. At all times we are saddled with the fear of unemployment and other problems besetting the country, but the problem which recurs time in and time out is that of unemployment. I am confident the government will do everything possible to set things right.

Mr. Winkler: Follow the pattern of the Conservative government.

Mr. Otto: I regret, Mr. Speaker, I have not got my ear phone on and cannot hear the hon. gentleman.

An hon. Member: It wasn't worth hearing.

Mr. Otto: Mr. Speaker, I now join with all the other hon. members who have spoken in extending my congratulations to you on your election as Speaker. You will have the respect of every member of the house as of right, but sir, you will have an opportunity very few Speakers have had in this house, that of presiding over a committee which will consider a reform of the procedures of the house. By the manner in which you do that you can earn the highest respect of every hon. member here and of everyone in Canada.

As you preside over that committee I know you will acknowledge that this is a most able house. If the twenty fifth parliament was considered to be one of the most able we ever had, I am sure you will agree hon. gentlemen here make this one even more so. None of us sought election to this house merely for the sake of prestige, if there is any prestige left in being a member of parliament. Most of the hon. gentlemen here have been highly successful in their private careers and have received the highest of accolades from their fellowmen in their own communities. I sincerely believe we all came here to contribute our ideas, imagination, and the value of our experience to the government of our country. But, sir, do you wonder at times that there is a sense of frustration?

If a lot of hon. members had not sought election but had stayed at home and looked after their careers, it is quite possible, in fact likely, they would be appointed to many of the commissions and boards which are formed from time to time, but being members of the house it seems to me a great part of their job boils down to a matter of voting yea or nay.

With the greatest respect, Mr. Speaker, I would like to suggest that this committee over which you will have the honour to preside should consider whether or not some of the hon. gentlemen here could be appointed as members of these boards or committees, if the powers of parliament have to be delegated to such bodies. I am sure most hon. gentlemen opposite will agree that when they occupied the government benches, they found that the distance from here to the seats of the mighty is no shorter on this side of the house than it is from any other corner of the house, and that it is sometimes difficult to express the individual talent which each member brings with him. I believe that if it is a fact that the government of Canada has to rely more and more on the senior civil service for both administration and legislation, then the committee over which you will preside should consider whether it would be a good thing for the country to merge the two powers into one.

Surely, sir, there should be some consideration given to an expansion or extension of the committee system of parliament so that hon. members could have much closer contact with various problems, and contribute more to government and to the administration? I seriously suggest that the expansion and strengthening of the committee system in the house would be beneficial to all Canadians, and would allow most hon. gentlemen here to contribute more of their talents and ideas to the government, so that the measure of a man will not be taken as his conformity or his acquiescence, but will be based on his ideas, work, talent, reputation and the courage of his convictions.

During most of the last session of the twenty fifth parliament a great deal of work went into the preparation and presentation of private members' bills, but what comes out of that? When the hour comes up for debate on private members' bills each speaker very seriously protests that he does not want to talk out the particular bill under discussion, but invariably it gets talked out. I do not say everything should be radically changed but, sir, as you preside over this committee I suggest you give some consideration to the matter of private bills.

There are many important matters in this country which are not necessarily a policy of one party or another, nor does the government

have to assume responsibility for certain matters that are raised. However surely some system, some new procedure, could be devised so that certain private bills, on approval by the government, could be debated in a free house and voted into law. I am sure that exercising our lungs between five and six o'clock every day is not the thing we ought to be doing at this time, in this century.

I agree with the sentiments expressed in the speech from the throne that we have to find new paths and assist in the strengthening of parliament. In that connection I am trying to recall a caution given by an author to a prince some 500 years ago. He said there is probably nothing more difficult to take in hand, more perilous to conduct and more uncertain of its future than to take the lead in the introduction of a new order of things, for the innovator will have as his enemies those who have done very well under the old system, and only lukewarm support from those who may do well under the new. But if you, sir, as the guiding hand of this committee are the instrument of deep, worth-while reforms you shall earn the laurels of this house and the nation.

Mr. J. E. Pascoe (Moose Jaw-Lake Centre): Mr. Speaker, first I want to endorse the congratulations and best wishes addressed to you and the Deputy Speaker by earlier speakers in this debate. I trust that although these congratulations may have become somewhat repetitious, you will consider that they are no less sincere. We look forward to a well ordered session with you in the chair enforcing the rules of parliament. You proved this afternoon, sir, that you will see the rules are properly observed. I also congratulate the mover and seconder of the address in reply to the speech from the throne for their first efforts in this house. I wish to thank the fine people of Moose Jaw-Lake Centre for again supporting me with their vote on April 8 and affording me the honour and privilege of taking part in this debate.

In my maiden speech in 1958 I fully outlined the virtues and economic strength of my constituency. I shall not repeat my earlier account of the riding at this time, but would point out and emphasize most strongly that it is a constituency closely associated with our leader and strongly in support of the national development policies he adopted when he was prime minister. The constituency includes the city of Moose Jaw, a large part of the city of Regina, 48 towns and villages and a fine agricultural area of big and smaller family farms. Farmers, city and town residents, labour and business are almost equally represented. This means that every action, or lack of action, by the present government will be of direct concern to one or more segments of the riding's economy. Therefore I can assure the members of the government front benches, especially the so-called inner cabinet of economic planners, that their decisions and policies will be carefully scrutinized and very carefully compared with the achievements of the former government since 1957. Those I represent know full well what was accomplished in national development in the past six years. They were not confused or misled by Liberal propaganda and a biased press, as was eastern Canada.

In 1957 just over 23 per cent of the electors of Saskatchewan voted Progressive Conservative; in 1958 the vote was 50.7 per cent Progressive Conservative; in 1962 it was 51.6 per cent, and in the April 8 vote this was increased to 53.9 per cent Progressive Conservative. So, Mr. Speaker, nearly 54 per cent of Saskatchewan voters endorsed the national development program of the Diefenbaker government and certainly will not be satisfied with anything less. However, from indications in the speech from the throne they are going to get much less from the new government.

At this point, Mr. Speaker, I must take strong exception to the words used in high Liberal circles on election night when Saskatchewan returned a full slate of 17 Progressive Conservative members. The Saskatchewan voters were called dirty dogs because they did not vote Liberal. Saskatchewan voters are not dirty dogs. I can assure the government, however, that they will be watchdogs; they will watch very carefully what the government does in the next two years, particularly the policies of what the hon. member for Mackenzie (Mr. Korchinski) called the two-headed Department of Agriculture. I say two years, Mr. Speaker, because there is almost bound to be an election in two years when the opposition becomes convinced that the great Liberal election promises, promises that were not included in the speech from the throne, will also be missing from the government's program. In two years the public will have time to contrast the country's economy with the 1962 record.

Other speakers have outlined Canada's economic gains, but we are going to emphasize this record again and again, Mr. Speaker, because the facts are a stinging repudiation of the apostles of gloom and doom now on the government side. As has been indicated, the gross national product in 1962 increased by 8 per cent to over $40 million. There was a trade balance of Canadian exports over

imports for the second year in succession. There were gains in total employment each month as compared with the same months in 1961. The total number of Canadian workers now stands at 6,660,000, an increase of 878,000 workers over the 5,782,000 employed in 1956, the last year of the former Liberal government. I repeat, Mr. Speaker, 878,000 more people are working now than were working under the Liberals in 1956.

Steel production is a good indication of economic strength. In 1962 our steel production increased by 10 per cent to almost 8 million tons, with each month's output from Canadian mills breaking the previous month's record. It has been described as the greatest year in the history of steel in Canada. These economic gains are a challenge to the new government. They are placed on record as a mark by which to measure the accomplishments this year of the Liberal regime. But they are not the only yardstick. Consumer prices were maintained by the former government at a level described by President Kennedy of the United States as the most stable in the western world. With the increase in sugar prices in the past three weeks, where will the consumer price level be in the next dominion bureau of statistics report, because these increased sugar prices affect many other prices.

Last Saturday I visited in Wakefield, Quebec, an old mill which is still operated by waterpower. It is an interesting old mill and I was pleased to learn that the government has acquired it for restoration and preservation. The miller was grinding feed concentrates for livestock. He said that the higher sugar prices and the sugar cane situation resulted in higher prices for molasses, and as a consequence prices for feed concentrates were higher. As I drew to the attention of the one Minister of Agriculture in office (Mr. Hays), that will increase the cost of livestock feeding and I think he should urge the government to do something about it. I would also draw to his attention the report in the Winnipeg paper that the government is being asked to control prices while the matter is being investigated.

Then there is the indicated increase in bread prices resulting from the removal by the government of the subsidy on whole milk to save the federal treasury $6 million. Coffee is going to cost 15 cents a cup. Rents appear to be going up. I have exactly the same accommodation I had when the last parliament closed in February, but the rent has been increased $22 a month for this session. In the space of four weeks it appears that this is going to be a high-price government.

There is another measure, Mr. Speaker, by which to judge the government a year from now. This is a measurement of particular interest to prairie farmers whom I represent. It is the statement of the Canadian wheat board on wheat delivery quotas as at May 21. There are now 232 points on a 7-bushel quota, 259 points on an 8-bushel quota, and 929 points on 10 bushels. Farmers' wheat marketings for the 1962-63 crop year have set an all-time record of 300 million bushels as at the end of March. That is right here in the official d.b.s. report which I hold in my hand: 300 million bushels delivered by western farmers by the end of March, with four months still to go in this crop year. It will take great effort by the new government to match this wheat marketing effort. I think there might have been a better chance for this if the Canadian wheat board had been left with the Department of Agriculture, even with a two-headed department. The Minister of Trade and Commerce (Mr. Sharp) in my opinion got off to a poor start on a television appearance shortly after taking over control of the wheat board when he said he did not need or want any help or advice on China wheat sales from the former minister of agriculture who is now sitting on the front benches of the official opposition. I suggest that the trade minister change his attitude towards the former minister of agriculture and accept all the help and advice he can get. We have come down here to play a positive opposition role, but this will have to change if our criticisms and advice are rejected out of hand.

The prairie farmers are worried about the possible loss of the wheat market in mainland China. Comments I have received on the situation present two views. One is that President Kennedy may have influenced the Canadian government to reduce its trade with China in line with American policy. The other is that China may reduce its purchases because of Canada's acceptance of nuclear arms. I pass on these farm views for the information of the government and particularly of the Minister of Trade and Commerce. At the risk of a curt reply such as he gave to the former minister of agriculture, I suggest that he make a public statement on the China wheat situation as soon as possible.

There is another worry Saskatchewan has, Mr. Speaker, this time over possible views of the Minister of Finance (Mr. Gordon). In his report of the royal commission on Canada's economic prospects, the so-called Gordon report, the present Minister of Finance stated at page 172:

> We would be hard to convince that Canadian agriculture as a whole is likely to benefit from the investment of large amounts of capital in monumental irrigation schemes.

If this statement can be taken to foreshadow any slowing down of work on the south Saskatchewan dam, the new government can expect terrific and immediate reaction.

That dam, started in 1958 by the Diefenbaker government, holds the key to realizing the full industrial potential of Saskatchewan. The signing of the agreement was one of the early accomplishments of the former prime minister. Completion of the dam will bring great benefit to the constituency of Moose Jaw-Lake Centre and other neighbouring constituencies in maintaining lake levels and assuring adequate domestic and industrial water supplies. So I hope the Minister of Finance has changed his earlier views on such projects and will not delay any contracts necessary for completion of the dam by 1966, the target date set by the present leader of the official opposition when he signed the agreement as prime minister.

There is concern in the west, Mr. Speaker, and I am sure there is similar concern in farming areas in other parts of Canada, regarding redistribution of constituencies. The speech from the throne merely states that a commission will be established to make the constituency changes. I hope this commission will realize that there is more involved in redistribution than boundary changes on a population basis. There is a need to assure each segment of the economy that it will have a fair representation in parliament. We know that there are more people living in the cities now and fewer on farms. City problems have increased, but so have farm problems. When population figures are considered by the redistribution committee, I suggest that there must be some form of weighted index to equalize farm and city representation. I hope to have more to say on this when legislation establishing the redistribution commission is introduced.

On this question of farm representation I join with other Saskatchewan members in objecting to the published statement by the Saskatchewan Liberal leader that a cabinet minister is being assigned to work with a sort of "shadow cabinet" of Saskatchewan Liberals back home. As I pointed out earlier, the full slate of 17 Progressive Conservative members were elected with the support of nearly 54 per cent of the voters. We were elected to represent our constituents and we intend to express their views in their interests. We hope the government will listen to our representations. I am sure we understand western views better than any Liberal shadow cabinet in Saskatchewan, especially if they include the Liberal organizer who has stated that the family farms cannot be maintained in modern agriculture. We believe they can. I have been an advocate of family farms, and I am sure other hon. members have, too. I think that any farm legislation brought down by the government should bear in mind the need to preserve family farms.

There is one other item in the speech from the throne on which I should like to make a brief comment representing my personal views. It is in regard to the proposed commission on biculturalism. I agree with the statement that the bicultural character of Canada must be recognized. I agree as to the need for a basic partnership between Canadian speaking and French speaking people. I agree that the governments of the provinces must be consulted and that their views must form the basis for any commission study. As a matter of fact I consider the question could be better resolved by a dominion-provincial conference as suggested by the Leader of the Opposition (Mr. Diefenbaker) when he was prime minister than by the proposed commission, which at best could only make recommendations before final acceptance or rejection by the federal and provincial governments.

The comment I have to make is this: I wish to draw attention to the results of a Gallup poll which appeared in the Winnipeg *Free Press* on May 22, 1963, under the heading "Quebec Not Gloomy on Ties to Canada". The article says in part:

> Although Quebec has a few angry separatists who want to secede from the rest of Canada, the people of that province are not pessimistic about feelings between themselves and English speaking Canada.
>
> Thirty seven per cent in Quebec claim that relations between French and English speaking Canadians are better than they were five years ago.

I just wanted to put that on the record.

In conclusion, may I say that I agree with earlier speakers from this side who described the speech from the throne as a disappointing outline of what the government hopes to do for Canada. As our leader has emphasized, it is not a question of getting the economy moving, as supporters of the government claimed during the election campaign. On the other hand a very definite responsibility rests on the government to keep the economy moving forward at the 1962 rate. Other speakers have pointed out the government's responsibility in this regard by quoting from an editorial which appeared in the Ottawa *Journal*. I should like to repeat the closing words of that editorial.

> Let Mr. Pearson and his friends stop trying to give the impression that they took over a broken down Canadian economy. They took over a house in good order—a strong and going concern.

There is also a statement which appeared in the *Letter-Review* of April 29, and which, it seems to me, is deserving of being placed

on record. Referring to the economic state of this nation in 1962, the *Letter-Review* comments:

> The increase has been steady, almost spectacular, and suggests that while further advances are desirable it is hardly optimistic to utter the thought that 'the economy should be got going again'. It has not stopped for many years.

To sum up, Mr. Speaker, the 1962 achievements of the former government in national developments are on the record. We challenge the present government to match this record. They will be answerable to the public in about two years if they fail.

(Translation):

Mr. J. J. Greene (Renfrew South): Mr. Speaker, I wish to join previous speakers in congratulating you on your election as Speaker of this house. I am sure that you will fill with distinction the office that has in the past been occupied by so many distinguished men.

Mr. Speaker, I think it is amusing that we should congratulate the Speaker especially in view of the efforts made to force the nominee to occupy the chair. It was said that Speakers used to be executed when they did not hand down the desired rulings. It is just like congratulating a supporter of Louis XIV who would be marched off to the guillotine. But this is how we do in this house and I wish to congratulate you, Mr. Speaker.

May I also congratulate the mover and seconder of the address in reply to the speech from the throne. I wish both of them success in their career both in the house and in the service of the public, commensurate with the brilliance of their effort.

Like everybody else, I support this part of the speech from the throne concerned with the establishment of a royal commission on biculturalism and bilingualism. There is only one aspect of this general and positive endorsation of biculturalism which concerns me. Every politician today seems bent on vehemently supporting biculturalism. However, statements made by politicians on this subject have about the same weight and the same value as the admonishments of those who preach against sin. It is the right attitude but it does not bring results. Instead of stating at length our support of biculturalism I feel that this house should tackle the undoubtedly difficult task of establishing practical and realistic biculturalism. This cannot be done within the hour, overnight or even in the life of one legislature. However, any legislature which would devote itself in all sincerity to that task might, no doubt, set up the basis for biculturalism.

I think it was comforting indeed to hear that part of the speech from the throne and the words of the Prime Minister (Mr. Pearson), where he said that Canadians will be better able to realize that dual culture which confederation had in mind if they manage, in a general way, as a nation, to make fluent use of both the official languages of our federal state.

Minor details, like bilingual cheques, bilingual publicity slogans and claims with regard to the fair distribution of federal jobs, just stress the deficiencies in our confederation. If all Canadian citizens were bilingual, such details would be of no importance.

If, as I think, our leaders are honest and sincere when they publicly call for biculturalism, how shall we manage to get a Canadian citizen who speaks both mother tongues fluently. That is an aim which neither the tired men of our generation nor even the much younger and much more gifted ladies who sit in this house will scarcely attain or be able to hope for. Our aim should therefore be to blaze the trail, which tomorrow's truly bilingual citizens and leaders, will be able to follow.

Mr. Speaker, I think that, in spite of all we say, we still have not made the first step in that direction. Dr. Wilder Penfield, who analysed our Canadian brain so well tells us that ability to learn another language decreases very rapidly after the age of 13. It therefore seems that we should apply ourselves to give our young children under 13 the means and incentives to acquire a second language.

The methods to be employed to this end, if there are any, are very rare today. The direct method, which enables boys and girls of an age where they still have the best ability and aptitude, to acquire not only the other language but also some elements of the second culture, is the exchange of school children or pupils for one or two years, according to the needs. A timid start has been made in that direction, but, ordinarily, in the case of pupils of more advanced age, where the acquiring of a second language has become more difficult.

As far as I am concerned, I should have liked to send my eldest to Quebec to help him acquire a second culture. But at that time I could not afford it.

Now that I am in this house and that my income is higher, it would be easier.

But most Canadians do not have enough money to send their boys and girls to private schools.

Mr. Speaker, if we are sincere in what we say on that matter, I think we can play a great part right here in the field of biculturalism without infringing in any way on the constitution and this, simply by allotting federal funds for that so important and even vital objective. Evidently, it is the only way for our nation to work out true biculturalism.

(Text):

I represent in this house the historic and renowned riding of Renfrew South. That riding stretches from Arnprior on the east at the junction of the mighty Ottawa and the roaring Madawaska rivers, to the newly incorporated municipality of Whitney at the gateway to Algonquin park on the west. The riding consists of people of varied ethnic origin—British, Scottish, Irish, Polish and German—and as such it is a pretty good cross-section of Canada as a whole, to such an extent that the newspaper pundits from time to time during an election campaign say that as Renfrew South goes so goes Canada. Believe me, Mr. Speaker, this is a great burden for a candidate to bear in the riding of Renfrew South.

Having so realized, I was somewhat taken aback when I came to the conclusion that I had brought this party in here on my back, and I was somewhat dismayed to hear our hon. friends opposite tell of how many hundreds of thousands and millions of dollars were available to my party in the winning of the election. As my hon. friends opposite have been so expert in finding out the state of the finances of the Liberal party, I would appreciate it very much if they would find out for me who got my share. I assure you that with the grave responsibility I have it would have been far easier to buy my way in than do it by footslogging, the way I had to do across the 130 miles of Renfrew South. Also, Mr. Speaker, having brought the Liberal party to this house on the back of Renfrew South I must say I was rather surprised when I arrived here to find that if I had been any farther back I would have been sitting in the Ottawa river.

The beautiful town of Arnprior, which is my home town, is one of the earliest settled communities of Ontario. At the centre of my riding we have the town of Renfrew, which bears the name of the county represented here by the constituencies of Renfrew South and Renfrew North. I would say this of the town of Arnprior, that, by reason of the active and vibrant municipal organization led by its former mayor, Robert M. Simpson, who brought secondary industry to our town, we have probably shared some of the fruits of the economy of Ontario.

In the town of Renfrew the employment situation at this time is very grave. By reason of the cancellation of the Avro contracts the aircraft industries there were put in a very poor plight and to this date nothing has been done to remedy that situation. Going farther west in my riding we come to the storied town of Eganville, an Irish settlement which is politically known as the home of the Maloneys. From Eganville came the Hon. Dr. Maloney who sat with distinction and honour on the opposite side of the house, his son, Arthur Maloney, who also, I am sad to state, sat on the opposite side of the house, and the late James Maloney who sat as minister of mines in the legislature at Toronto and with whom for many years I did battle on the hustings of Renfrew South. He is gone, and I wish to pay him my respects in this house at this time as a valiant, doughty warrior on the hustings of a fighting riding.

I would point out also, Mr. Speaker, that apart from these English, Scottish and Irish people we have in my riding in the township of McNabb the descendants of the original Laird McNabb who still bear proudly that Scottish name. We have in the townships of South Algoma and Gratton citizens of German descent who are now first class and have been first class citizens of Canada both in war and peace. There are families who bear names such as Verch but who still pronounce that name in the German fashion, Ferch. No better citizens are there in Canada than these people of German descent.

Going farther west in my riding we come to the lovely village of Killaloe and beautiful Brudenell where the Irish stock is still predominant but where help is again needed economically as the lumber industry has died out and nothing has come to take its place.

Moving farther west again we come to the grandiose land around Wilno, bounteous Barrys Bay and the summer paradise of Combermere. Here are wonderful people of Polish origin. These people of Polish origin were great friends of my predecessor on this side of the house, the late Dr. J. J. McCann, who held them very dearly in his heart. It has been one of the pleasant things in public life, so far as I am concerned, to come to know these smiling and happy Polish people who live in my riding of Renfrew South. I would point out, Mr. Speaker, that here we are sometimes concerned with two languages and two races in Canada. Let us not forget the Polish people, the Scottish people, the Irish people and the many other

ethnic groups that go to make up this great land of ours which, along with the English and French, make Canada unique.

Now, Mr. Speaker, having gone over the geographical aspect of my constituency, I should like to point out that economic conditions in this beautiful and lovely riding are not as they should be. I have heard some of our friends from the province of Quebec referring to the economic shortcomings that exist in Quebec. They say that Quebec has not shared in the economic bounties of this country as has the province of Ontario. This is what troubles them most. I should like to assure this honourable house that Quebec is not alone in this area of drought. I heard an hon. member state that the average income in Ontario was $1,800, while the average income in Quebec was some $1,300. I assure you, Mr. Speaker, that in my riding, and in particular in the west end of my riding where no secondary industry has ever located, the average income is far below that $1,300. Ontario, therefore, is not an economic utopia. There are hills in the metropolitan areas but there are valleys and swamps in the economy of Ontario as well as in other parts of Canada.

I do not ask that these mountains of economic prosperity such as exist in the metropolitan areas and in western Ontario be dragged down. We are not asking to pull anybody down from his lofty pinnacle. However, we do believe that those economic quagmires which exist in areas such as the west end of south Renfrew should be drained a little. We should fill in those hollows a little bit, so that my people will share in the bounties of this very rich province. I assure you that while we profess so often and so loudly that there is equality of opportunity in this land, a boy or a girl from the south end of Renfrew does not have the same opportunity for advancement, for education and for prosperity in the future, as does a boy or girl from one of the metropolitan areas. I know of many cases where boys and girls just could not go to high school because there was no high school. There was no economic foundation on which a high school could be built. The only way they could go to high school was by taxicab some 10 or 15 miles, if their mother or father could pay for it, and this in an area where there was no industry in which the mother or father could get a job to take care of this expense.

I suggest, Mr. Speaker, that one of the great tasks before this house is to assure that there will be equalization in this wealthy land. I believe that the spirit of the Pearson plan, as envisaged in this speech from the throne, is that we will not add to these growing cities, these new abodes of the cave-dwellers who are more and more residing in apartment houses in the great metropolitan area. Surely, it is inherent in the speech from the throne that the economic powers of the government should be used for social purposes. What finer social purpose is there than the diversification of industry in order to enable our people to live where there are green hills, fresh air and lakes, beauty and sunshine? This would avoid the continued growth of the cities as has occurred in the past few years.

If I am correct, Mr. Speaker, in interpreting the speech from the throne in this light, then I know of no place where the diversification of industry is so badly needed, I know of no area in which industry may be located to better advantage so that the people will enjoy a better way of life, than in my own riding of Renfrew South, particularly the west end of that riding.

The whip on this side of the house, Mr. Speaker, has very kindly given priority to the new members on this side of the house in this debate. As a result of this, my colleague from Renfrew North (Mr. Forgie) may not have an opportunity to speak. With this in mind, I should like to state that I shall at all times support him in his endeavours on behalf of the town of Pembroke and the surrounding area where the problems are similar to those in my riding, since it is in the other half of the county of Renfrew. I shall be very pleased also, and proud, to support him in his continuing efforts, by which he has distinguished himself in the past, on behalf of the armed forces at Camp Petawawa. I wish to align myself, as I know the hon. member for Renfrew North has many times before, with the proposition that these men and women serving in our armed forces should receive comparable emoluments to those received by people in comparable jobs in civilian life. Without these men and women, our country would soon grow weak and the very things for which we profess to stand would be but a farce.

There is one other group of people I should like to support in conjunction with my hon. friend from Renfrew North. I refer to the employees at Deep River who are engaged in atomic research and production in Canada. We have lost too many of our most able men, of our best trained technicians, because apparently in this land we do not appreciate the contribution these people are able to make to the future of Canada. I believe that in the future we should look after these

people as best we can so that the scientific age, the atomic age, will in fact belong to Canada.

On the broader national aspect of the measures contained in the speech from the throne, I shall say very little. Other speakers from this side of the house, much better informed, much more knowledgeable and experienced than I, have gone over the variety of commitments contained in this document. I support them to the hilt in their stand on the measures therein contained. Hon. gentlemen opposite have, however, raised one point with which I shall deal briefly, namely the fear that by reason of the measures contained in the speech from the throne which involve a new use of the executive power for social purposes, there will be lost that freedom of the individual which is the very nub of our system, as compared to those systems which use control but which forego that freedom of the individual. I was very pleased, therefore, Mr. Speaker, to see that passage in the speech from the throne with regard to the committee on procedure. It clearly indicates that this side of the house is just as concerned with the rights of the individual, which are inherent in the supremacy of parliament, as are our friends on the opposite side of the house. They have attempted to perpetuate and promulgate the myth that in their own fashion they are the champions of parliament and the champions of the supremacy of parliament, but I do not believe this is the case. That the committee on procedure is to be set up is witness to the fact that this side of the house is just as concerned in this regard as any other hon. members of the house.

I may make a suggestion in a very humble fashion as a new member, Mr. Speaker, that this house can only be as strong as its individual members, and I have found in the very short time I have been here that the facilities given to the ordinary hon. member make it very difficult for him to carry out his job. We have been given horse and buggy tools in a jet age. If a man is doing the important job of representing some 30,000 to 60,000 people, and is doing that job conscientiously, then he must have far better facilities than are given to the ordinary member here.

I do not wish to appear as a precocious member, Mr. Speaker. I know I have a great deal to learn but I do think that every hon. member should at least be given a private office, with separate quarters for his staff. I do believe every hon. member should at least be given stenographic help, not just during the session but during his entire tenure, at Ottawa or in his constituency as he deems advisable. The people of Canada would be shocked if they knew the limited facilities given to their representatives in their job of representing them here in Ottawa, and I hope the house will take it under advisement, and that hon. members on the front benches on this side will give consideration to providing better equipment and better tools.

I found that even a dictaphone was something foreign to the office of a private member, and in the twentieth century surely this is something to be deplored. We have heard a great deal of talk that being a member of the house is a full time job. In the little I have seen of it, it is more than a full time job, and if we are going to do a full time job, we should have the facilities, the equipment and the help to do an adequate full time job. If we are ever going to discuss the matter of raising the emoluments of hon. members, then let us be sure we are in a position to do an adequate, 100 per cent full time job for our constituents, and that means we must have the necessary tools.

In conclusion I wish to say I am sure the measures which will be brought forth in the committee on procedure will ensure the continuing supremacy of parliament over the executive and administrative areas of government. To me the great challenge of today is this: can free peoples use the power, controls and direction which are necessary to provide full employment, and at the same time retain that freedom and supremacy of the individual which we deem essential?

I think it is correct to state that in any community or any country where the supremacy of the legislature has been subjugated, then that supremacy of the individual has been lost, from the days of the Star Chamber to the Bundestag and the Kremlin. Only if we maintain the supremacy of this house over all elements of government is the sanctity of the individual on the best and surest foundation.

I do not know how long I will be a member of the house, because in my riding it is mighty tough to stay an elected representative. Political longevity however is not my only aspiration. I hope to do something of benefit for my people and for the country while I am here, whether it be for two years as my hon. friend opposite has stated, or for 22 years; and may I say it is my fondest hope that my political epitaph, whenever it is written, will say "he served well in the House of Commons", because I believe that is the greatest challenge of our times.

Mr. H. M. Horner (Jasper-Edson): Mr. Speaker, it may be only just and right that I should follow the hon. member who has spoken so eloquently on behalf of the constituency of Renfrew South. I do not agree with all he said but I certainly appreciate the very eloquent manner in which he said it. My forefathers came from the Ottawa valley and I may say I can appreciate the natural ability and oratory he acquired from his Irish ancestors in that area.

As I have said, I cannot agree with all he said. Certainly when he talked so glowingly about the speech from the throne, he must have had his hand in his pocket. There was nothing in it. We heard all the promises of the Liberal party, but where are they now? I shall deal with them one by one, but prior to doing that I want to congratulate you, Mr. Speaker, on your elevation to the speakership. I also want to congratulate the Deputy Speaker on his appointment, and the mover and seconder of the address in reply to the speech from the throne.

Now I wish to deal with the nub of the problem in Canada today, as I see it. There are several problems which are facing us as Canadians, but the most important one depends on whether or not we remain a country. I do not subscribe to the bumbling aspirations of the Minister of National Defence (Mr. Hellyer). I do not subscribe to the bumbling aspirations of the Prime Minister (Mr. Pearson) and I want to say why, and say it clearly.

With regard first to the question of biculturalism I want to say this sincerely and put it on the line. I represent 2,000 French Canadians, people who took their courage in their hands and migrated to Alberta where they homesteaded. I represent these people not only in fact but by their votes. What is their message to this house, to Quebec and to Canada? Their message is simply this, that we must have a Canada first; that we want to maintain our culture but we have to have a Canada.

What about our culture? What about this thing called culture that the C.B.C. on occasion tries to shove down our throats? You do not develop culture because a minister says this, that, or something else. You develop culture by living a life, by your family living a life, and by creating and doing things different in this country, with the help of what your forefathers gave you. There is a lot of nonsense about this, and I shall speak about the press in that regard in a moment. We develop culture as we work, build and develop a country. We do not develop a culture because of United States influence. If we do, we are not a country. If this culture that we are trying to develop and if this country that we are trying to develop does not take into cognizance this essential fact, then we are not a country. If the Liberal party persists in accepting United States money to run their campaigns—

Some hon. Members: Oh, oh.

Mr. Horner (Jasper-Edson): —and to control our industry—

An hon. Member: Nonsense.

Mr. Horner (Jasper-Edson): All right, nonsense, old boy. I have some industries in my riding controlled by United States companies. What did they do? They financed the Liberal candidate, and he lost his deposit. They provided him with a campaign manager free, gratis. Why? I asked the manager. He said, "We did not like your writing to our head office in New York and suggesting to them that they should look beyond the United States for markets"—for the only pulp mill in Alberta. They did not like this. I should not have done this, as a member of parliament for Jasper-Edson.

Is this the only reason they ran? Certainly they had no farm policy, so they did not make any votes there. I am glad to see that the Minister of Northern Affairs and National Resources (Mr. Laing) is in the house this evening, because the Liberals over the years have had no policy in national parks, so they could not make any votes there. I hope, when they talk so promisingly of the things they are going to do, that we will not return to that policy in national parks where the best Liberal got the job. When they talk about patronage, I challenge the minister to find any trace where patronage has been used in Jasper since 1958. I challenge him to do the things that are required to be done in this regard. I challenge him to look over his civil servants. I challenge him particularly to have some discussion with his director, because I do not agree with his director. I challenge him to put forward policies for our national parks which are in the best interests not only of maintaining these parks in their natural beauty but of making them available to all Canadians. This is the challenge in regard to that department.

I know that my time is limited, Mr. Speaker, but I want to say a word with regard to some of my friends in the press gallery. I have nothing to hide, nothing to be afraid of them for. But I say to them this, and I say it sincerely. If they want to maintain the freedom of the press in Canada they had better pull up their socks; they had better start reporting the facts. We in northern Alberta particularly are concerned about this. We have one newspaper there which has not reported the facts, and I am not afraid

to say this outside the house in any court of law. They have not reported the facts. I would like my friends in the government now to say what kind of a deal they have made with the Southam Press. Are they going to make this fellow Basil Dean a senator? I challenged him to run against me and he did not even bother answering.

If these people have any convictions, if these people can do any other job, which I doubt—and I am talking primarily about the people who are writing politically in the Edmonton *Journal*—I say to them this, you are reporting in the Edmonton *Journal* because you have not found any other job which would give you a livelihood. I challenge them to come forward. We have been subjected in northern Alberta to the most vicious attack by this press, the most biased, the most absolutely irresponsible attack. We want to see the freedom of the press maintained. We want to see the press in Canada strong and virile. But we want to see the truth. Very simply I say to them this, if they want to see how a paper should be run they should look about them; they should look at some of the weekly newspapers which are published in the province of Alberta and they will see what I mean, not this nonsense that we see from Basil Dean and his cohorts who—and I have this on good authority—do exactly what they are told by officials of the Southam Press. I say to the people in the government, have you an agreement with the Southam Press? Are these people United States controlled? Are these people going to get a big deal out of your government? We in Alberta think they are.

Some hon. Members: Shame.

Mr. Horner (Jasper-Edson): These are the things we want to know. I am sorry that the Minister of Veterans Affairs (Mr. Teillet) has now removed himself from the chamber because I want to say something to him in regard to the removal of Mr. McKay. I want to say this to him, that we in northern Alberta have a number of French Canadians and that Mr. McKay was a good friend of theirs, he served their purpose, he served them as he did everybody else in Alberta. I suggest to the minister that he must have had some pangs when he took the orders from the hierarchy of the Liberal party that this man must go. This was obviously the situation.

An hon. Member: A terrible thing.

Mr. Horner (Jasper-Edson): I am glad to see that the Minister of Trade and Commerce (Mr. Sharp) is here because I have something to say to him as well. In the speech from the throne we have a great big paragraph about which I want to say something. I could also say something to the Minister of National Health and Welfare (Miss LaMarsh), but my time is going to preclude that. But I want to say to the Minister of Trade and Commerce that we are concerned in western Canada. We know him as the guy who said he could not do anything for us. We will be watching him with a great deal of interest because we in Alberta are primarily concerned with markets, not only for grain but for our minerals, in the far east. This concerns not only China but Japan. We want to trade with these countries. We want to expand our markets in these areas. We do not want any more of this nonsense which he propagated before us as a senior civil servant, when he said, "We have the grain. If you want to buy it, come and get it". We want none of that for our grain; we want none of that for our coke and coal; we want none of that for our copper and iron ore. We want him to get up off his fanny and get to work.

These are the things that we require in western Canada. There has been some talk with regard to the session, and all this type of thing. There is the suggestion out around Fort William that the people of Canada must realize that we believe in confederation, that we are willing to go more than halfway to make it work. We want to see these things done by these ministers in particular—I have mentioned the ministers of trade and commerce—and the other ministers. The Minister of Transport (Mr. McIlraith) is away at the moment, but I want to say something in regard to him.

Mr. McIlraith: No, he is not; he is here.

Mr. Horner (Jasper-Edson): I want to say something about the policy of the C.N.R.

An hon. Member: He is sitting in another seat.

Mr. Horner (Jasper-Edson): I am glad to see him because I have a delegation coming to see him tomorrow. We want to see if you, sir, can convince the president of the C.N.R. that he should pay more attention to selling its services than selling his men off. We want you to do something about this, sir. Think about it.

Miss LaMarsh: After six years.

Mr. Horner (Jasper-Edson): "After six years", the good lady says. As I said before, I could say something with regard to health and welfare, but I am saving that.

Miss LaMarsh: Go ahead.

Mr. Horner (Jasper-Edson): I want to go back—

The Acting Speaker (Mr. Batten): Order; ten o'clock.

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

APPENDIX

FINAL COMMUNIQUE OF NATO MINISTERIAL MEETING

The north Atlantic council met in ministerial session in Ottawa from 22nd to 24th May, 1963.

2. In their review of the international situation, ministers emphasized that in the world of today peace is indivisible. The enduring character of the north Atlantic alliance, founded on the principles of interdependence and common defence, constitutes a basic guarantee for the maintenance of peace.

3. The council noted with regret that the Soviet union had so far shown little interest in seeking equitable solutions for outstanding problems.

4. With regard to Germany and Berlin, the threat has not disappeared. Thanks to the firm attitude maintained by the west, however, developments detrimental to the interests of Berlin and the alliance have been effectively discouraged. In this connection, the alliance abides by the terms of its declaration of 16th December, 1958, on Berlin.

5. Outside the treaty area too, tensions and difficulties continue to exist which have a profound effect on the alliance. Soviet military personnel remain in Cuba; and the situation there, with its repercussions in the region generally, still gives cause for concern. Ministers also expressed their disquiet over recent events in Laos, and stressed the importance of sustained efforts to secure respect for the Geneva agreements.

6. Ministers reaffirmed the importance, in building a peaceful world, of progress toward general and complete disarmament by stages and under effective international control. In this connection, they noted that agreement in principle had been reached between the United States and the U.S.S.R. on measures to improve communications designed to reduce the risk of war by accident or miscalculation. They expressed the hope that the Soviet union's attitude would evolve sufficiently to permit genuine progress to be made on key disarmament questions.

7. The growing scope and complexity of the problems facing the alliance make it imperative for the council to ensure that its political consultations are as prompt and effective as they can be made. Ministers noted the progress already achieved in this direction and expressed their determination to secure still further improvements.

8. Ministers discussed NATO defence policy and approved the steps taken to organize the nuclear forces assigned or to be assigned to the supreme allied commander Europe (SACEUR).

These include notably:

(a) assignment of the United Kingdom V-bomber force and three U.S. Polaris submarines to SACEUR;

(b) establishment by SACEUR on his staff of a deputy responsible to him for nuclear affairs;

(c) arrangements for broader participation by officers of NATO member countries in nuclear activities in allied command Europe and in co-ordination of operational planning at Omaha;

(d) fuller information to national authorities, both political and military.

Ministers welcomed these measures to increase the effectiveness of the nuclear capability at the disposal of the alliance and to improve co-ordination and control of its nuclear deterrent forces.

9. Ministers recognized the need to achieve a satisfactory balance between nuclear and conventional arms. They directed the council in permanent session to undertake, with the advice of the NATO military authorities, further studies of the interrelated questions of strategy, force requirements and the resources available to meet them.

10. The council noted progress made in the implementation of earlier resolutions concerning the defence problems of Greece and reaffirmed its interest in the effective application of these resolutions.

11. The north Atlantic alliance seeks peace. It deplores the diversion into the military field of resources which might be used for the betterment of mankind, and in particular for increased efforts to raise living standards in developing countries. But the free world remains faced with a continuing threat and the members of the north Atlantic alliance have both the right and the duty to protect their freedom and independence.

12. The next ministerial meeting will be held in Paris in December 1963.

HOUSE OF COMMONS

Tuesday, May 28, 1963

The house met at 11 a.m.

(Translation):

PRIVILEGE

MR. SAUVE—CORRECTION OF REMARKS MADE IN DEBATE

Mr. Maurice Sauve (Îles-de-la-Madeleine): Mr. Speaker, I rise on a question of privilege.

Yesterday in this house, the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) raised a question of privilege about the report of the speech I made on Wednesday, May 22, which appears in *Hansard* beginning at page 151.

He explained to the house that a sentence had been deleted from my speech at my own request. I admit it is true, Mr. Speaker, and here is what happened.

An hour after we have made a speech, a blue copy of it is handed to us which we are asked to look over. As is the custom, I made a few style and vocabulary corrections which in no way altered the meaning of the text. And then I came up against a major difficulty. I felt an important sentence was missing. Since I was not allowed to add that sentence, I decided to delete a few words. I considered that, without that sentence, my text took on a wrong meaning or, at the very least, that the sentence had a significance other than the one I intended it to have. Therefore, I thank the hon. member for having given me this opportunity of making that correction to my text and four others which I also consider important.

On page 4 of the appendix, the words:

—as in Ontario.

should be added to the following sentence:

—while there is only 27 per cent of the labour force and twice as many unemployed people—

And to comply with the request of the hon. member, on page 5, after the sentence beginning as follows:

For instance, on the trains—

And ending with:

—and the stations are called only in English.

the following sentence should be inserted:

And while this is going on in Ottawa and on the trains, bombs are exploding in Montreal.

Finally, at the bottom of the second column of page 5, instead of:

—while paying, at the same time, the federal contribution—

One should read:

—while having the province assume, at the same time, the federal contribution of $75 million to hospital insurance—

I trust, Mr. Speaker, that with leave of the house, those corrections will be made in the final version of *Hansard*. I might add, Mr. Speaker, that I apologize if I have unintentionally violated the rules of this house.

Mr. Pigeon: On the same question of privilege, Mr. Speaker, you realize, of course, that the hon. member has just delivered another speech.

The hon. member has agreed that he struck out that phrase. He did so contrary to the standing orders of the house. I ask therefore that the rules be applied and that those words be put back in the official report. Besides, if you refer back to the blue sheets which never lie, you will see that the hon. member for Îles-de-la-Madeleine, on page 5 of the appendix, has made other changes himself, when he said:

In the economic field, where do we stand? We own almost nothing.

When, as a matter of fact, he said:

We have absolutely nothing.

(Text):

Mr. Pickersgill: May I raise a point of order, sir. The hon. member for Îles-de-la-Madeleine had already asked the house to have the phrase replaced to which the hon. member for Joliette-L'Assomption-Montcalm referred yesterday. It seems to me, sir, that after that had been done the matter should have been closed. The hon. member for Joliette-L'Assomption-Montcalm has no right whatever under the rules to begin to discuss, at this late date, days after the *Hansard* appeared, other changes that he wishes to have made in the version of the hon. member's speech. The hon. member himself made a number of corrections, and it seems to me the matter should be closed now.

Mr. Speaker: I have studied this matter and come to a conclusion. May I refer hon. members to page 95 of Beauchesne, citation 104, subsection 5:

Question of Privilege

As a motion taken at the time for matters of privilege is thereby given precedence over the prearranged program of public business, the Speaker requires to be satisfied, both that there is a prima facie case that a breach of privilege has been committed, and also that the matter is being raised at the earliest opportunity.

A certain amount of leeway has been allowed in connection with this matter. We are dealing with a new member who was speaking on the address. He has not added to his remarks, he has simply taken out a sentence which does not alter the context of his remarks. I suggest to hon. members that there is no prima facie case that a breach of privilege has been committed. I suggest that a mistake has been made by an hon. member for which he has apologized and which he has attempted to correct.

(Translation):

Having heard the explanation given by the hon. member for Îles-de-la-Madeleine, I am of the opinion that the matter is now closed.

Will the house allow me to add that suggested changes concerning remarks made in the house must be confined to correction of errors and essential minor alterations.

(Text):

In other words, if hon. members will refer to the back cover of Friday's *Hansard* they will see there a notation by the editor to the effect that suggested changes must be confined to the correction of errors and essential minor alterations.

(Translation):

The same thing is said in French.

(Text):

Under the circumstances, an apology having been given and an explanation having been offered to the house, I think the matter should rest there.

(Translation):

Mr. Pigeon: Mr. Speaker, I bow to your decision but I am of the opinion that it would be in the interest of the house if the hon. member for Îles-de-la-Madeleine—

(Text):

Mr. Speaker: Order, please; I think the matter has been dealt with sufficiently.

HOUSE OF COMMONS

WEST BLOCK—ARRANGEMENTS FOR MEMBERS TO SEE FACILITIES USED BY NATO

Hon. J. P. Deschatelets (Minister of Public Works): I should like to announce, Mr. Speaker, that arrangements have been made with you to show a group of members interested the accommodation which was used by NATO in the west block. Any members who wish to see these rooms should meet at 2 p.m. this afternoon at the main entrance of the centre block. Officials of the public works department will accompany the group on this occasion.

INQUIRY AS TO AVAILABILITY OF SEATING PLANS

On the orders of the day:

Mr. R. R. Southam (Moose Mountain): I wish to direct a question to the Secretary of State. Would the minister advise the house when the queen's printer will have seating plans available in order that hon. members may be able to recognize their new colleagues by name and riding?

Hon. J. W. Pickersgill (Secretary of State): I believe the seating plans are being printed at the present time. I hope they will be available if not today, then tomorrow.

OPERATION OF CAFETERIA IN CENTRE BLOCK

On the orders of the day:

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, yesterday the hon. member for Vancouver East directed a question to the house leader which, in my new capacity as housekeeper, was referred to me.

I wish to inform hon. members and those employees of the house who are interested in this matter that I have been advised by the house leader that arrangements have now been made to set up a committee of the house later this day to deal with the matter. In the interim I am pleased to inform the house, as a matter of rapid decision, that effective today arrangements have now been made to serve packaged sandwiches, soup, juices, milk, coffee and chocolate bars between the hours of 10 a.m. and 10 p.m. in the centre block cafeteria. Perhaps I should also point out to all hon. members that of course more complete cafeteria service is available in the west block.

REPRESENTATION OF CONSTITUENCY OF NORTHWEST TERRITORIES

On the orders of the day:

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, the other day the hon. member for Winnipeg South Centre inquired about the return of the member for the Northwest Territories. I feel I should let the hon. gentleman know that the four clear days required by the law within which application for a recount may be made will expire at midnight tonight. To the best of my knowledge and

the knowledge of the office of the chief electoral officer there has not been and is not likely to be any such application. If there is none before midnight tonight, the queen's printer is making arrangements to bring out an extra edition of the Canada Gazette tomorrow morning so that the hon. member in that case should be in a position to take his seat tomorrow afternoon. I may say there has been no delay whatsoever in this matter beyond that which is required by a statute made by this parliament.

[*Later:*]

PARLIAMENTARY RESTAURANT—PERSONNEL ON JOINT COMMITTEE

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, may I have unanimous consent to revert to motions for the purpose of moving a motion with respect to the restaurant committee? I have spoken to the whips about this.

Mr. Deputy Speaker: Has the hon. minister unanimous consent to revert to motions for that purpose?

Some hon. Members: Agreed.

Mr. Pickersgill: I wish to move, seconded by the hon. member for Niagara Falls (Miss LaMarsh):

That Mrs. Konantz and Messrs. Boulanger, Cowan, Cyr, Doucett, Ethier, Forgie, Gelber, Gregoire, Gundlock, Hales, Horner (The Battlefords), Irvine, Laprise, MacRae, Martin (Timmins), Matheson, McNulty, Muir (Lisgar), Noble, Pugh, Rinfret, Tucker, Webster, Whelan be appointed to assist Mr. Speaker in the direction of the restaurant, as far as the interests of the Commons are concerned, and to act as members of a joint committee of both houses on the restaurant; and that a message be sent to the Senate to acquaint their Honours therewith.

Motion agreed to.

NATIONAL DEFENCE

MEETING OF MINISTER WITH GENERAL NORSTAD

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I would like to ask the Minister of National Defence a question with regard to an article which I am informed appears in today's Toronto *Telegram* to the effect that, with some diffidence, upon being asked a question as to whether he had a secret meeting with General Norstad last fall, he admitted he had. Would he tell the house the nature of this secret meeting?

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, when I came back last fall I told hon. members in the house, as well as others, that while over there I had been fully briefed by the top military and political people of the North Atlantic Treaty Organization, and the then prime minister was very much aware of those briefings.

Mr. Diefenbaker: I would ask the hon. gentleman, did he secretly see General Norstad and did he receive from him information of a variety that satisfied his curiosity?

(Translation):

VALCARTIER RESEARCH CENTRE—TRANSPORTATION EXPENSES OF STAFF

On the orders of the day:

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, I should like to ask the Associate Minister of National Defence whether his department considers that the government should continue to pay transportation expenses of the Valcartier research centre staff?

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, I am grateful to the hon. member for having given me notice of his intention to ask that question.

I can tell him that we are making a thorough study of the question and that I shall get in touch with him as soon as possible.

(Text):

HUMAN RIGHTS

STEPHENVILLE, NFLD.—U.S. NEGRO SERVICEMEN DENIED ADMISSION TO CLUB

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Minister of National Defence. Has the minister's attention been drawn to the fact that some 20 Negro United States servicemen from Harmon air force base were denied admission to the Clover club at Stephenville, Newfoundland.

In view of the international implications of such action, what steps does the minister propose to take, in conjunction with the provincial authorities, to prevent a repetition of this unfortunate incident?

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, the article in question was just brought to my attention on my way into the house, and if my information is correct this club is operated by a United States citizen—

Mr. Douglas: In Canada.

Mr. Hellyer: —in Canada, outside of the base area. In that case it would, I believe, under the constitution come under the authority of the provincial government, and if these facts are correct then I am asking my

friend the Secretary of State to bring the matter to the attention of the attorney general of that province.

EXTERNAL AFFAIRS

SUGGESTED TELEGRAM TO VATICAN ON ILLNESS OF POPE

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I would like to direct a question in French to the Prime Minister.

(Translation):

Is it the Prime Minister's intention to send, on behalf of the people of Canada, to His Holiness Pope John XXIII a telegram extending our wishes for a prompt recovery?

(Text):

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, that matter is already under consideration and the telegram is being drafted.

TRANS-CANADA AIR LINES

WINNIPEG—TRANSFER OF OVERHAUL AND MAINTENANCE BASE

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Transport. Has the government of Canada been approached by the government of Manitoba with a view to the sending of a delegation to appear before the government of Canada regarding the retention of the T.C.A. maintenance and overhaul base at Winnipeg? If so, will this delegation be received?

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, the answer to the question is yes. I may add that no date has been set for receiving the delegation because the minister of industry and commerce for the province of Manitoba in his telegram suggested that he would communicate with the federal government again within the next few days to arrange an appointment.

CONSTRUCTION IN CANADA OF NEW PLANES TO BE ACQUIRED

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): I wish to direct a question to the Minister of Transport. In view of reports that Trans-Canada Air Lines will need $200 million worth of new jet liners beginning in 1966, would the minister assure the house that the fullest consideration will be given to working out means by which these planes can be built in Canada?

Hon. G. J. McIlraith (Minister of Transport): Yes, Mr. Speaker.

[Mr. Hellyer.]

INDUSTRY

URANIUM—REPORTED CLOSING OF MINE AT ELLIOT LAKE

On the orders of the day:

Mr. A. D. Hales (Wellington South): Mr. Speaker, I have a question which I wish to direct to the Minister of Labour, but as it affects constituents of the right hon. Prime Minister maybe he would care to answer it. As it is reported by a former Liberal cabinet minister, Hon. Robert Winters, that another uranium mine will shortly be closed at Elliot Lake, what steps does the government propose to take to assist these unfortunate miners?

Right Hon. L. B. Pearson (Prime Minister): The government proposes to take every step possible regarding the closure of the mine in question, which my hon. friend has referred to, but this closure is being carried out under the obligations of a contract made by the previous government with the company in question.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, the alibi of course has no application—

Some hon. Members: Oh, oh.

Mr. Diefenbaker: —but I ask the Prime Minister, did Mr. Winters allow him to know in advance that this was going to be done?

Some hon. Members: Oh, oh.

Mr. Pearson: Mr. Speaker, it was obvious from the terms of the contract made by my right hon. friend that this had to be done, and he himself knew of it well in advance.

Mr. Diefenbaker: That is not so. On a question of privilege, Mr. Speaker, that suggestion is false.

Mr. Martin (Essex East): That is not a question of privilege.

Mr. Pearson: On the question of privilege, Mr. Speaker, if the Leader of the Opposition is correct in his statement of privilege it is unfortunate that he does not know the terms of the contract made by his own government.

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, I should like to ask the Prime Minister a supplementary question in view of the answer he gave to the original question. Will any of these actions that he contemplates result in a reduction in the amount supplied to the uranium market by the mines in Uranium City, Saskatchewan?

Mr. Pearson: Mr. Speaker, all the uranium producing areas should be treated in the same way in these matters, so no particular area will be given preferential consideration over any other area.

LIVESTOCK

REPORTED DANGER OF OUTBREAK OF ANTHRAX

On the orders of the day:

Mr. J. H. Horner (Acadia): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. I notice that he is not in his seat; perhaps he is still auctioning cattle. However, would the parliamentary secretary to the minister, or the associate minister, take this question as notice. My question stems from an article in the *Financial Post* of May 23. The headline is "Anthrax a menace to the west". It goes on to say that this disease can be readily spread through wildlife, foxes, caribou, buffalo, and so on.

Are steps being taken by the Department of Agriculture to guard against or prevent a further outbreak of this dreaded disease, which could do untold harm to the livestock industry and create a serious health hazard with untold social and economic implications?

Hon. Rene Tremblay (Minister without Portfolio): Mr. Speaker, this question has been studied by the department and we have taken action in this regard.

Some hon. Members: What action?

Mr. Horner (Acadia): A supplementary question, Mr. Speaker. Would the minister inform the house at the earliest possible moment what action the department is taking to prevent the spread of this disease?

Mr. Tremblay: Yes, Mr. Speaker.

FINANCE

SALE OF GOVERNMENT BOND ISSUES IN UNITED STATES

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I would direct my question to the Minister of Finance. According to figures released by the dominion bureau of statistics there has been a record flow of United States capital into Canada during the first quarter of 1963 due to federal and provincial government borrowing. My question is, would the minister clearly state whether it is his plan to continue the previous government's policy of encouraging the flow of United States capital into Canada through the sale of bond issues in the United States?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I thank the hon. gentleman for giving me notice of his question. I shall have something to say at the appropriate time about the need for and the role of foreign capital in Canada. All I need say now in answer to the hon. member's question is that a continued inflow of foreign capital will be welcomed by this government. Decisions respecting borrowings by the government in the United States market will be made in the light of the circumstances and conditions prevailing from time to time.

INDIAN AFFAIRS

INQUIRY AS TO SETTING UP OF COURT OF CLAIMS

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I have a question for the Minister of Citizenship and Immigration, or the Prime Minister. In view of the fact that the speech from the throne makes no reference to the setting up of a court of Indian claims, I wonder whether the minister could inform the house of the intentions of the government in this connection for the current session of parliament.

Hon. Guy Favreau (Minister of Citizenship and Immigration): Mr. Speaker, this question is under consideration at the present time.

IMMIGRATION

VANCOUVER, B.C.—ALLEGED INTERFERENCE WITH CHINESE IMMIGRANTS

On the orders of the day:

Mr. Barry Mather (New Westminster): I wish to address a question to the Minister of Citizenship and Immigration. I asked the minister last week whether his department had received complaints from Chinese groups in Vancouver relative to an alleged government crack down or interference with so called illegal Chinese immigrants. The hon. gentleman said at that time, if I understood him rightly, that he would look into the matter and be prepared to make a statement later on. I wonder if he is yet able to answer my question.

Hon. Guy Favreau (Minister of Citizenship and Immigration): I am now in a position to answer that question, although I think it is one which should more properly have been placed on the order paper.

As hon. members are aware, this matter has been under investigation since 1960, and Chinese groups have from time to time complained about the investigation. The present policy, which was inherited from the previous administration, is that persons who entered Canada illegally prior to July 6, 1960—which is the date of the declaration of the amnesty—would not be deported or prosecuted for offences committed prior to that date.

These persons were invited to come forward voluntarily and give truthful statements pertaining to the circumstances of their illegal entry. The status in Canada of those

coming forward is being adjusted. Persons in Canada who engaged in organizing illegal entries for personal gain were not included in the amnesty.

We are giving careful consideration to the present policy, and if any changes are decided upon they will be made known in due course.

DEFENCE PRODUCTION

CONSTRUCTION IN CANADA OF SUBMARINES FOR CANADIAN NAVY

On the orders of the day:

Hon. Leon Balcer (Three Rivers): I have a question to direct to the Minister of Defence Production. Can the minister assure us that the three submarines requested by the Royal Canadian Navy will be built in Canada by Canadian shipyards?

Hon. C. M. Drury (Minister of Defence Production): I thank the hon. member for having given me notice of this question. The three submarines to which he made reference were tentatively included in a program drawn up by the previous government. As the hon. member knows, this program is now under review by my hon. friend the Minister of National Defence and his colleagues. Consequently no decision has been taken at the moment as to whether these submarines should be acquired.

In the event that a decision is taken to acquire these submarines, it will be recalled that an announcement was made by the previous government that they would be procured in Britain if suitable reciprocal defence orders could be obtained. It will be the intention of this government to continue to look toward a reciprocal defence order program with the United Kingdom.

INQUIRY AS TO ALLOCATION OF NAVAL REFITS

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, I have a question for the Minister of Defence Production, and I regret that I have not given him notice. It is in regard to naval refit allocations made prior to April 8. Will these refits be allocated now, and I have in mind particularly the refit scheduled for the North Sydney marine railway which was due to enter that yard in the latter part of May or the first part of June?

Hon. C. M. Drury (Minister of Defence Production): Mr. Speaker, I will be glad to look into this matter and answer tomorrow.

[Mr. Favreau.]

(Translation):

NORTHERN AFFAIRS

QUEBEC—TEACHING OF FRENCH TO ESKIMOS

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Minister of Northern Affairs and National Resources. Is it the minister's intention to prescribe the teaching of French as a second language in the Eskimo schools of new Quebec?

(Text):

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): I should like to take that question as notice.

FISHERIES

NORTH PACIFIC COMMISSION—EXTENSION OF JAPANESE FISHING RIGHTS

On the orders of the day:

Hon. J. A. MacLean (Queens): I should like to ask the Secretary of State for External Affairs whether he is now in a position to answer the question which the acting minister took as notice last Friday.

Hon. H. J. Robichaud (Minister of Fisheries): As the question directed to my colleague by the hon. member for Queens referred to regulations concerning the Department of Fisheries, may I be allowed to reply now. The hon. member's question was as follows:

> Would the minister state precisely what action the government has taken with regard to the finding of the international north Pacific fisheries commission that certain stocks of fish no longer qualify for abstention under the terms of the North Pacific Fisheries Convention Act?

The answer is as follows. The government has accepted the commission's recommendations and has advised the commission accordingly. It has also approved by order in council the amendment to the northern Pacific halibut fisheries regulations as recommended by the commission. The decision was taken on May 7, and the order in council was passed on May 23.

Mr. MacLean (Queens): Mr. Speaker, I want to thank the Minister of Fisheries for his reply, and I should like to ask the Secretary of State for External Affairs a related question. Would the minister table the instrument of ratification referred to by the Minister of Fisheries? Could I also ask him whether he found it unnecessary or undesirable to comply with the repeated request of the present minister of northern affairs, as recorded in *Hansard,* that this matter be referred to the standing committee on marine and fisheries or external affairs?

Hon. Paul Martin (Secretary of State for External Affairs): I shall be glad to look into that, Mr. Speaker.

GRAIN

OATS AND BARLEY—INQUIRY AS TO QUOTAS

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce. On Thursday last I asked a question with reference to what we might expect as far as quotas were concerned in the west. Is he prepared to answer that question today?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, the hon. member asked me whether I could inform the house that there will be an open quota on grain delivery for the present crop year as there was for the last. By way of preliminary to the answer to this question I should like to point out that producer marketings of all grains to May 15 this crop year have been 451 million bushels, as compared to only 277 million bushels at the same date last year.

I am informed by the Canadian wheat board that although a great many producers should be able to deliver all the grain on their farms by the end of the crop year, it is highly unlikely that open quotas will prevail throughout all of western Canada by July 31 next.

[*Later:*]

Mr. Korchinski: Mr. Speaker, I should like to direct a question to the Prime Minister. In view of the reply given by the Minister of Trade and Commerce, will the Prime Minister indicate to the house whether the agriculture committee will be set up and have the Canadian wheat board called before it prior to the summer recess of parliament?

Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I would hope that the house would agree to set up that committee at the earliest possible date.

UNITED NATIONS

ATTENDANCE OF CANADIAN MINISTERS AT SPECIAL SESSION

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Prime Minister. In view of the grave financial crisis involving the very existence of the United Nations itself, does either the Prime Minister, as I believe he promised during the recent election campaign, or the Secretary of State for External Affairs plan to attend at once the current special session of the United Nations to lead the Canadian delegation and lend their experience to doing everything possible to resolve the present difficulties there?

Hon. L. B. Pearson (Prime Minister): Mr. Speaker, no such promise was made by me during the election campaign, that I would attend a special session. I said I would attend the regular session in September with my hon. friend the Secretary of State for External Affairs, and that I propose to do.

[*Later:*]

Mr. Nesbitt: Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. In view of this very grave financial crisis at the United Nations, does the Secretary of State for External Affairs intend to go to New York as soon as possible and take charge of the Canadian delegation in its efforts to solve the situation?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, in answer to my hon. friend he will be interested to learn that I am going to see the secretary general of the United Nations this afternoon at four o'clock.

TRANSPORT

PICTOU, N.S.—RAIL FACILITIES FOR NEW PIER

On the orders of the day:

Mr. H. Russell MacEwan (Pictou): Mr. Speaker, I have a question for the Minister of Public Works. Has the minister received a telegram containing a special resolution passed by the town council of Pictou, Nova Scotia, in special meeting with regard to the urgency of providing adequate rail facilities for the newly completed pier C and asking that the filling in of the area with sand and asphalt be curtailed? If so, what action is the minister taking in this matter?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I thank the hon. member for giving me notice of his question. Unfortunately it reached me only a few minutes ago. I am going to inquire and I shall answer tomorrow.

WELLAND CANAL—INQUIRY AS TO TWINNING OF LOCKS

On the orders of the day:

Mr. W. H. McMillan (Welland): Mr. Speaker, I should like to direct a question to the Minister of Transport. Is the government giving consideration to the early twinning of the single locks on the Welland ship canal?

Inquiries of the Ministry

Hon. G. J. McIlraith (Minister of Transport): Yes, Mr. Speaker. The matter is under intensive study at the moment. I think I should point out that there are some very large issues involved, and it may take some time to resolve them.

ADMINISTRATION OF JUSTICE

FILLING OF ONTARIO VACANCY ON SUPREME COURT

On the orders of the day:

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Minister of Justice. Has an appointment yet been made to the Ontario vacancy on the Supreme Court of Canada?

Hon. Lionel Chevrier (Minister of Justice): The matter is under consideration, Mr. Speaker.

CANADIAN NATIONAL RAILWAYS

HANNA, ALBERTA—REPORTED REMOVAL OF CAR REPAIR DEPOT

On the orders of the day:

Mr. J. H. Horner (Acadia): Mr. Speaker, I should like to direct a question to the Prime Minister. Has he received a telegram from the town of Hanna concerning the reduction in or removal of the car repair depot by the C.N.R. in the month of June, and is he prepared to use his good offices to try and maintain this small industry in this town already abandoned by the C.N.R.?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I believe I have received that telegram; I think it came in yesterday. The matter is being looked into.

(Translation):

TEXTILES

INQUIRY AS TO SETTING UP OF BOARD

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I wish to direct a question to the Minister of Justice.

Does the minister intend to recommend to the cabinet the setting up of a Canadian textiles board?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, this question does not concern the Minister of Justice. Besides, I think that the hon. member will see immediately that it should be put on the order paper.

Mr. Pigeon: A supplementary question, Mr. Speaker. Does the minister remember that on March 22, 1961, in the House of Commons, he made such a suggestion to the government?

[Mr. McMillan.]

THE MINISTRY

INQUIRY AS TO SECOND MINISTER OF AGRICULTURE

On the orders of the day:

Mr. Clement Vincent (Nicolet-Yamaska): Mr. Speaker, I would like to ask a question of the Prime Minister in French. Practically all newspaper reports concerning the changes that your government intends to make in the field of agriculture mention two departments of agriculture.

Could the Prime Minister inform the house as to whether he intends to set up two departments of agriculture, one for western Canada and one for the east, or whether he just proposes to appoint a second minister of agriculture to represent eastern Canada?

(Text):

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, there is a resolution on the order paper dealing with this matter and it will be before the house in due course, when my hon. friend's very legitimate curiosity will be satisfied.

PIPE LINES

REPORTED INTENTION OF TRANS-CANADA TO PURCHASE NORTHERN ONTARIO SECTION

On the orders of the day:

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, yesterday the hon. member for Winnipeg North Centre asked a question regarding the announcement that Trans-Canada Pipe Lines Limited is seeking to purchase the northern Ontario section of this pipe line this year. The Prime Minister accepted this question as notice pending my return to the house.

I wish to inform the hon. member that the government of Canada has approved the decision of the national energy board to grant the application of Trans-Canada Pipe Lines Limited to proceed with the purchase of the northern Ontario section of the all-Canadian natural gas pipe line from northern Ontario pipe line crown corporation. It is expected that the actual purchase will be carried out prior to the end of this month.

Following completion the section was leased to Trans-Canada Pipe Lines Limited under a 25 year lease agreement which included the provision that Trans-Canada would have the obligation to purchase the section as soon as that company could arrange the necessary

finances. This obligation is now being fulfilled. It is expected that it will involve a payment of approximately $108 million by Trans-Canada to the crown corporation. Accumulative rental payments under the lease agreement are expected to amount to approximately $41 million. When the transaction is completed the Canadian government, through the crown corporation, will have recovered more than its full investment in the northern Ontario section, plus interest.

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, I should like to address a supplementary question to the Minister of Trade and Commerce in relation to the statement he has just made in reply to the question of the hon. member for Winnipeg North Centre. Was there any discussion with Trans-Canada pipe lines to indicate to them the desire of the government that some of the equity stock and debentures required to purchase this northern Ontario pipe line from the government would be made available to Canadians?

Mr. Sharp: Mr. Speaker, I think there must be some misunderstanding on the part of the hon. member about that transaction. This was simply an obligation by which Trans-Canada was required to purchase this Northern Ontario Pipe Line Crown Corporation as soon as possible. This is now being done. I do not think it has any implications of the kind which are suggested by the hon. member.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask a supplementary question. Was any effort made by the present government or by the previous government to renegotiate this contract with a view to the line being retained under public ownership?

Mr. Sharp: I cannot speak for the previous government. This transaction was, of course, in the process of being completed when we took office. No effort was made on the part of this administration to retain ownership of the crown section of the line. Under all the circumstances I think it would not be appropriate for the government to own one section of the trans-Canada pipe line indefinitely.

Mr. Peters: Did you consider buying Trans-Canada?

ARTS, LETTERS AND SCIENCES

REQUEST FOR INCREASED GRANTS TO UNIVERSITIES

On the orders of the day:

Mr. Georges Valade (St. Mary): Mr. Speaker, my question is directed to the Prime Minister. Does his government intend to increase grants to the universities, as seems to have been requested by the province of Ontario?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, as far as I know no request of that kind has been made by the province of Ontario. Representatives of the universities called on me yesterday with a view to increased financial assistance from the government, and that matter is now being considered in the light of all the other financial obligations that face the government at this time.

NATIONAL PARKS

BANFF—REPORTED CANCELLATION OF TENDERS

On the orders of the day:

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, may I make a short correction in *Hansard* of May 23, page 179, the right hand column, lines 25 and 26, which reads:

Assessment of the 20 tenders has not been completed—

That should read:

—has now been completed—

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, in view of the change made by the Minister of Northern Affairs and National Resources I should like to ask him a question. As I understand the change made today by the minister after a week has elapsed, he has changed the word "not" to "now". I take it that tenders were called for. To whom were these contracts awarded with reference to motels in Banff national park?

Mr. Laing: Mr. Speaker, within a few days or a week at the most I would expect that an announcement as to the successful tenderers would be made. I think my hon. friend is aware that due to the regulations this matter has to be approved by treasury board, and when that is done an announcement will be made as to the successful tenderers.

HISTORIC SITES AND MONUMENTS

AGREEMENT RESPECTING PRESERVATION OF SHIP "ST. ROCH"

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I should like to direct a question to the Minister of Northern Affairs and National Resources. Can the minister inform the house whether an agreement has yet been reached between the city of Vancouver and the government of Canada to assist in the preservation of the good ship *St. Roch*? In view of the rapid deterioration of this famous ship the matter assumes some urgency.

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): No, Mr. Speaker, not yet.

Inquiries of the Ministry

PENITENTIARIES

CONSTRUCTION OF INSTITUTION IN GREY-BRUCE CONSTITUENCY

On the orders of the day:

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, I should like to ask the Minister of Justice if he has an answer to the question I asked him yesterday.

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, I suggested to the hon. gentleman that he put his question on the order paper. I do not know that I can add anything other than to say that the matter to which he had reference, namely the construction of a penitentiary institution in the riding of Grey-Bruce, certainly had not been determined by the former government so far as the site is concerned. If the hon. member desires additional information I shall see that he gets it if he will put his question on the order paper.

(Translation):

DOMINION-PROVINCIAL RELATIONS

INQUIRY AS TO TERMINATION OF JOINT PLANS

On the orders of the day:

Mr. Georges Valade (St. Mary): Mr. Speaker, I should like to direct a question to the Prime Minister.

Does the Prime Minister intend to abolish the joint programs as called for by the Liberal party during the last federal electoral campaign?

(Text):

PUBLIC SERVICE

SUPERANNUATED FEDERAL EMPLOYEES—REQUEST FOR INCREASED PENSIONS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Finance. In view of the many representations the government has received from organizations of retired civil servants, is the government giving consideration to legislation to improve the position of retired civil servants similar to that which was brought down about four years ago?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I am not familiar with what was done four years ago, but the government is considering this whole question and I hope I will have something to say about it in the not too distant future.

[Mr. Laing.]

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Monday, May 27, consideration of the motion of Miss Pauline Jewitt for an address to His Excellency the Governor General in reply to the speech from the throne delivered by His Excellency the Administrator at the opening of the session.

Mr. H. M. Horner (Jasper-Edson): Mr. Speaker, last night at ten o'clock we were discussing some of the problems that face this country and the paucity of solutions in the speech from the throne. At the outset this morning I should like to re-emphasize my warning to the Minister of Trade and Commerce (Mr. Sharp) that we in western Canada are going to be watching him very closely indeed.

I want to turn to the problems of confederation and some of the things that will have to be considered in order to make it really work. I think the first comment one should make is that some of the problems which we have to meet are problems resulting from the old Liberal policy of divide and rule. We are now suffering because of what happened during 20 years of Liberal rule, when they deliberately divided this country. I am hoping they will not do this again, but it is obvious that they are on the same track. We in western Canada are certainly concerned over this fact. As I said last evening, we are firm proponents of confederation. We want to see a whole Canada. We want to see a united Canada. In addition to that, we want to see a Canada run by Canadians without this interference from our neighbours in financial and political matters.

I believe that one of the prime responsibilities of the press in Canada is to take a new look at what they have been doing. I believe that on their doorstep lies the responsibility for some of this division which now exists in Canada. I suggest to some members of the press that they pay more attention to reporting the facts than to building up their own egos or images as Hollywood stars or as interpreters of the news. Most of them do not have the necessary background information to make an accurate interpretation of the news as they continually purport to do. They have a responsibility if they are going to maintain the freedom of the press in Canada, if they are going to do their part in promoting unity within Canada. This unity is necessary in order to make Canada a growing, developing country. If this unity is to be achieved, then the press must become more constructive, more positive in their approach

instead of continuing this negative, destructive approach which we have seen exhibited by some members of the press gallery and the press generally throughout Canada during the last two years.

I believe confederation can only work in Canada if all of us have as our goal a united Canada. The members of the press, having the prime responsibility for communication among the various ethnic groups, among the various regions in Canada, have not met their responsibilities. I am suggesting to them that they should pull up their socks and help us build Canada instead of destroying it.

I should like also to say something with regard to our position in the world. During the last election campaign we heard a lot of nonsense, some of it engendered by our friends in the press and all of it started by the Liberal party, to the effect that Canada's prestige abroad had gone down. This is such utter nonsense that it needs to be commented upon. I suggest to the Secretary of State for External Affairs (Mr. Martin) that if Canada's prestige does not go down now that we have become a satellite of the United States in connection with nuclear arms, I will be very surprised. One of the things that struck us when we attended the commonwealth conference last fall was the fact that Canada could play a role with these newly developing countries in Africa and Asia. I will always remember the suggestion given to me by the Malayan delegate. He said "You people really are not part of the commonwealth at all; you are an appendage of the United States". If they thought of us in that fashion then, what must they be thinking of us now?

The Liberals talked about loss of prestige. Our prestige was never higher than under the leadership of the former prime minister, the present Leader of the Opposition (Mr. Diefenbaker). Is it loss of prestige if a few newspaper reporters in certain countries such as the United States and the United Kingdom felt we were not doing exactly what they thought we should do? What utter nonsense. What utter irresponsibility by these people. I suggest that the Secretary of State for External Affairs will have to walk with his head bowed when he does return to the United Nations, because Canada will not be able to stand up and take the position she did previously. This situation will result from the decision, which is not final yet as far as I am concerned, regarding nuclear arms and our position in NORAD.

In conclusion, Mr. Speaker, I want to reemphasize the importance to Canada of making confederation work, the importance of taking these two languages and two nations and building them into one. Then there is the question of the division between urban and rural people, which has been fostered by the daily press in Canada. I suggest that the members of the daily press should have a look at some of the things the weekly editors across this country have been saying, and should accept some advice from these people. We need better support from the members of the press if we are going to have a united Canada and a confederation that really works.

Mr. H. A. Olson (Medicine Hat): As I rise to take part in this debate, Mr. Speaker, I should like to join with the many others who have extended to you and the Deputy Speaker, as well as the deputy chairman of committees, their sincere congratulations. If the manner in which the proceedings of this house have been handled so far is any indication of what we can expect in the future, I think all hon. members will be satisfied. I should like also to offer my sincere congratulations to the mover and seconder of the address in reply to the speech from the throne.

I do not wish to cover a lot of the ground that has been covered by hon. members who preceded me in this debate. In so far as the speech from the throne is concerned, first of all I should like to suggest that the preamble certainly does recognize the bicultural character of Canada. There are, however, one or two commonly held thoughts which I believe are erroneous which are brought out in the speech from the throne. The first is the separation of Quebec from the rest of Canada. There is a reference to the French sector, and the other nine provinces seem to be referred to as the English sector.

Now, Mr. Speaker, in the past there existed the same division between eastern and western Canada. At that time the dividing line was somewhere west of lake Superior. We had repetitious references to the fact that there was a division along that line. I feel it would be unfortunate indeed if we were to now continue that line of thinking by moving the border to the Ottawa river. We have French communities in Alberta. We have French communities in many other parts of western Canada. In addition we have large numbers of people, even in my own riding, with French ancestry. I suggest too, Mr. Speaker, that we in western Canada have just as much in common with Montreal as we have with Toronto. For example in the clothing and needle trades I think it is fair to say western Canada buys more of this type of merchandise in Montreal than it does in Toronto. That is to say it buys more from Quebec than it does from Ontario. I shall not labour the matter at length except to point out I would not like to see a division

along the lines of separating Quebec from the rest of Canada in the so-called bicultural nature of our country.

People come from Quebec to western Canada just as young people in particular go to eastern Canada from Alberta, and there are social adjustments that have to be made in each case. I can remember that not so long ago three young fellows from the province of Quebec called at my farm. They had just enough English so that we could get along and communicate with each other, although certainly they were not too proficient in this language. It happened to be a season of the year when we required some additional help so we hired all three of them. That was several years ago. One of the young men proved capable and interested in the work and type of opportunity available there, and by now he has made a huge success of it. He adapted himself to the working conditions in the agricultural sector and now holds one of the best jobs in the area.

I have not followed the progress of the second young lad, but the third one could not adjust and I understand he went back to Quebec rather sadly disillusioned, if I may put it that way, with his experience in western Canada. By the same token young people from western Canada have moved to Toronto and Montreal, drawn by the bright lights and the opportunities they thought were just waiting for them. However, they were strangers in the large cities, and some of them have come back to western Canada pretty disillusioned with what they had thought were greener pastures.

I shall not say more about that at this time, except to state that I do not believe all the problems, in either English or French Canada, are going to be solved by bilingualism. People will learn other languages only when there is an economic need for them to do so. These language differences are not confined solely to Canada. Just a couple of days ago I noticed in the press where 1,500 people were demonstrating in Belgium with a view to separating Belgium into two countries, one for those who speak French and the other for those who speak Flemish. Language difficulties are also present in many other major countries. India and China have a multiplicity of languages which divide them and make communication among their peoples almost impossible.

Even in such a very small country as Nigeria, which we visited last fall, we found three separate languages, three large language groups, besides English. The western region, the eastern region and the northern region each had its own language, and people who did not have the opportunity to learn the three languages simply could not communicate with one another except by the common language only a few of them had, and that was English. Therefore I do not appreciate the allegation that removing this language barrier in itself will solve the problem. Furthermore I do not believe there will be a determined effort, by those people who only have one or other of these languages, to learn a second language until there is an economic need for them to do so.

Mr. Speaker, the matter of Canada's commitments in international defence and her contribution to the western alliance has received a great deal of attention in this debate. I am happy to see that the government is proposing a resolution to set up a committee of 18 to study this problem. That committee will provide information, perhaps even classified or secret information, to members of all parties so we can have a fairly good idea what Canada's commitments are, and perhaps we can have unanimity as to what she should do to meet those commitments.

The other day I asked the Prime Minister whether he had taken any steps to renegotiate our commitments to the western alliance. His answer was not particularly clear, but I certainly did not ask the question with a view to embarrassing him or reminding him of one of his statements that he perhaps regretted having made; because I think there is some merit in his suggestion that we first of all meet the commitments we have made and then possibly renegotiate them so that we can take on a role more in keeping with Canada's position as a middle power in the world.

The reason I say this is that one of the greatest dangers in the world today is when we have a direct confrontation between the two major powers. The Secretary of State for External Affairs yesterday referred to this briefly, and looking back over the last two or three years I am sure we all agree that the periods of greatest tension were those two occasions when there was direct confrontation between the two major powers.

September, 1961 at Berlin, when Russian and United States tanks were facing each other across the border, was one of those occasions. My own feelings, and those of the community in which I live, were very tense in that situation. Quite frankly, I believe it would have been immeasurably safer had the troops on both sides of that border been troops from middle power nations. This would give the major powers an opportunity to sit back and perhaps referee the situation and allow it to cool off in case someone had accidentally

fired or misinterpreted a command, or something of that nature. Even today I shudder to think what would have happened in that situation had either United States or Russian troops opened fire.

Of course the greatest tension in recent history was when the confrontation of Americans and Russians took place on the high seas off Cuba. I am not suggesting there was a place in that situation where the middle nations could have avoided such a confrontation; nevertheless we can all agree that if there is a place and a role for the middle nations it is in such matters, so that we can keep the major powers from getting into a situation where either one or the other would lose face by backing down a little.

There are a number of other suggestions in the speech from the throne that could be very, very useful if properly implemented. The municipal development fund that is suggested is one of the most far reaching and useful proposals, if it is set up properly and if it becomes active enough to meet the demands that will be made on it. Of course we in this party over the years, and particularly during the last election campaign, suggested that the social capital or social credit necessary for the municipalities to meet their expansion requirements could be supplied far better from a branch of the Bank of Canada, rather than having them go out into the private money market where they must compete, with private industry, thus forcing up interest rates.

So we will have to wait until we have a more specific outline of what this measure is going to do. Certainly if it is set up properly I think it will be very, very useful. We have in Alberta a model, perhaps, that could be used in this regard. Although of course we do not have the resources of the Bank of Canada behind the municipal finance corporation out there, it certainly does give an opportunity for all municipalities in all parts of the province to obtain their social capital requirements at a rate of interest substantially lower than would be obtainable if each of them were to go to the money market individually to get these funds.

Therefore we will leave that for the moment, Mr. Speaker. I think our party will have a great deal to say in the debate that will take place on the setting up of this fund, because we look upon it as something that can be useful. On the other hand, we would not like to see it suffer the same fate as the municipal assistance program that was set up prior to 1940, which program simply disappeared.

Mr. Speaker, there are one or two other suggestions contained in the speech from the throne about which I have something to say. There is the proposal for a new department of agriculture act to be placed before parliament with a view to the appointment of a second minister of agriculture. I am a little apprehensive about this. I agree that the problems facing agriculture in eastern Canada are somewhat different than those in western Canada, but only in some aspects. I say this because certain agricultural products are common to both areas. It is just possible that this proposal, if carried out, will cause too much of a division in this department. To my mind this may create more problems than it would solve. On the other hand the proposal that there be an associate minister of agriculture who will give special attention to the problems of farmers in one particular area sounds a very good idea. We know this is a very large department and perhaps special attention should be given to certain areas.

I should like for a few moments, Mr. Speaker, to return to my own constituency. I would inform the house that the greatest problem there today is drought. This is a recurring problem that has been with us in a very severe way for the last four years. I am certainly not going to try to attach any blame for this to either the previous Conservative government or the present Liberal government. However, I want hon. members to know that while some of them speak of the hardships that come with an average income of $1,800 or $1,300, or various other figures, for the farming sectors of their constituencies, for the last four years in my constituency hundreds of farmers have had no income at all because of drought. In fact they have had substantial losses. They are now living on an accumulation of capital, not cash capital but depreciation and other things. Certainly this cannot go on very much longer.

As I said, Mr. Speaker, I am not trying to attach any blame to anyone for this, but I do hope some assistance will be provided by this government which will enable those who are vexed with this problem to get over this very trying period. Certainly when we look back over the weather patterns in this area we are convinced that this is going to change. In spite of the fact that the last drought period was longer and more severe than any in recorded weather history, we still hope that it will change. We hope it will change even this year. But if it does not, it will be necessary for both the provincial and federal governments to come forward with some assistance to at least maintain the breeding stock of the cattle business, and so

on, so they will not be completely dissipated when the weather and drought conditions do improve.

One other serious problem in my constituency is the continual decrease in the output of the flour milling industry. Looking back over the records of our exports of flour we find that year after year for the last five or six years there have been decreases in the amount of flour Canada has exported, particularly to some of the nations in the Far East. I think it is fair and safe to say that the flour milling industry in Medicine Hat was established with a view to supplying the flour requirements of the Orient and some of the south Pacific countries. Some of these countries have of course established their own flour milling plants, in the last few years, and this is one of the main reasons for the decline in exports.

However, in Canada we produce in abundance the raw material that goes into this industry. I would urge the Minister of Trade and Commerce and the Minister of Agriculture, when they go into the international markets to sell wheat or other food from Canada's surpluses, to take into consideration the fact that we already have a large, established flour milling industry which produces the highest quality flour. Perhaps in some of the wheat deals we are making part of the content could be made up of the finished product.

The matter of ARDA has been raised a number of times in this debate, and I want to say a word or two on this question. In the southeast corner of Alberta we have set up what is known as the short grass ARDA advisory committee. This committee is composed of a large number of organizations. I believe on the committee there are very competent men representing those organizations, and they have come forward with some very useful, practical and feasible suggestions to make use of what was anticipated in this act. No. 1 on their list of recommendations is the need for more positive information relating to ground water reserves for the southeast corner of Alberta. Many livestock operations are at the moment experiencing the most severe shortage of stock watering facilities in their history. This, of course, is because of the prolonged drought, but it is quite obvious that the most complete system of dams and dugouts is quite inadequate when there is no run-off to fill them. This committee says the immediate answer would appear to be water wells, but farmers are reluctant to dig wells after expensive failures with either dry holes or inadequate supplies of surface ground water.

The need is more widespread than just stock watering, as many small towns, villages and hamlets are at the present time very short of good drinking water. They recommend—and I think it is a good recommendation—that a systematic ground water survey be undertaken to indicate large aquifers, underground channels or rivers and even supplies of water large enough to permit pump irrigation. I may say, Mr. Speaker, that the ground water division of the Alberta research council has indicated what might be accomplished by its limited operations in this area. This committee also recommends that some additional encouragement and perhaps some financial assistance by way of long term credit be extended for the carrying out of proper and adequate land levelling in the irrigated areas of this part of Canada. I think it is generally agreed by all those who have studied the problems of the irrigated farm that many of the difficulties could be removed if there were adequate land levelling so the best possible use could be made of the acres "under the ditch".

One project which I think it would be appropriate to reassess at this time is the Redcliff-Ronalane irrigation scheme. There is new interest in the potentiality of some specialty crops and, moreover, there is the growing importance of livestock production in the constituency. The reason it is appropriate to reassess this project is because of the severe loss of stock water in the area resulting from the condition of extreme drought which has persisted during the last four years.

These are the suggestions I have to make regarding what could be done to assist as many farmers as possible in this area. I hope the Department of Agriculture or whoever is responsible for the ARDA program will give consideration to the proposals I have made.

There is one other point I have to make, and it concerns the establishment of a veterinary college in Alberta. I wish to urge the Minister of Agriculture in the most sincere way I know to make some financial contribution to this project at an early date. The province of Alberta is prepared to make a large contribution to set up this college in Edmonton, and to get it under way as soon as possible. I hope there will be no undue delay in doing so. It is interesting to note that a few days ago the *Globe and Mail* carried a story which read as follows:

> There is a shortage of veterinarians throughout the world but the need is most acute in the developing countries, says the United Nations Food and Agriculture Organization.

We have a shortage of veterinarians even in Canada, and we know that the facilities for training them are simply not adequate to meet the needs of our own people. This, I think, is an important consideration. Our exports of livestock to the United States may

at some stage reach a point where they will depend upon the manner in which we can control disease. So we are dependant upon having sufficient veterinarians to keep livestock diseases in check.

The Prime Minister said at the outset of this debate that he hoped some years from now we could all look back with pride on the work of the twenty sixth parliament. I hope this statement comes true. I also hope that when we do look back upon the first session of the twenty sixth parliament we will be able to say we achieved something for the good of Canada generally. In conclusion, may I say there are many details of the proposals set out in the speech from the throne which will be examined as each of these measures is brought to the floor of the House of Commons. I hope the legislation will be brought down as quickly as possible so that we may get on with our work and implement some of them for the well being of the people we represent.

Mr. Andrew Brewin (Greenwood): My opening remarks will be characterized by sincerity if not by originality, Mr. Speaker. I should like to congratulate you warmly on your election and appointment as Speaker of this house.

The leader of the New Democratic party has already made it clear in this chamber that the members of this group are ready to give the government a chance to carry out the program outlined in the speech from the throne. To this end we offer hon. members opposite a high measure of co-operation—critical co-operation, but very real co-operation none the less. We shall seek to join with the government and with other parties in this house to make the twenty sixth parliament of Canada an effective instrument for the welfare of the people of Canada.

Perhaps, however, I should give a warning to those members of the government and their supporters who happen to be in the house. We do not suggest, by this offer of co-operation, that the millenium has arrived. We do not believe that politics are entirely banished from this house. Indeed, if the government does anything good we shall take the credit for it; if the government does anything bad, we shall point it out as clearly as we know how. I must say that the lamb—I think hon. members know to whom I refer—is not yet ready to lie down with the lion. We do not relish the thought of being inside that animal.

Seriously speaking, there are some goals of achievement which I believe this parliament should set before it. I know this is repetitive, but I believe, as the speech from the throne indicated, that the first and most urgent task which faces us is to conquer unemployment.

No modern country can tolerate unemployment on the scale that has become chronic in Canada. The economic waste is obvious and staggering; the human waste is worse. There can be few members of this house who have not had the painful duty of telling numbers of their constituents, eager and anxious to find work, that there is nothing they can do to help immediately. This is particularly tragic when those who seek work are over 40 and are told that by reason of their age there is no place for them in the economic system. If someone were to come into this house and tell each member who is over 40 that he was to be retired for good, there would indeed be wailing and gnashing of teeth; and rightly so, because not many members would be left. There would be only a corporal's guard. Yet this is the experience which happens to hundreds of thousands of our constituents every day, and we must do something about it.

The speech from the throne contains promise of certain economic measures designed to deal with this overriding problem of unemployment. I hope these instruments will be used vigorously and fearlessly for the purpose of the economic planning that is essential. We must not only will the end of unemployment, we must also will the means necessary to end it. These means must include, as up to date economists concede, the large scale infusion of social capital into the economic system. In this connection, in my opinion, the provision of adequate housing has an important part to play.

I trust that the proposed municipal development and loan board will ensure that the projects to be financed include large scale plans for urban renewal, low rental public housing and rehabilitation of existing housing that is threatened with decay. In the metropolitan area of Toronto we are justly proud of the Regent Park development. A three bedroom apartment in Regent Park rents for $50.50 a month. A comparable apartment outside rents for $150 a month. In metropolitan Toronto it is estimated that at least 30,000 people are without a decent place to live. They are members of low income families who cannot afford proper housing. We need more and more Regent Park developments in this country.

It is often said that one of the major problems facing us is the high cost of living. In this problem the rental payments for those who rent, or the mortgage payments for those who have bought their own homes, is a major factor. We worry, and properly so, about small increases in the price of milk or bread or some such other essential commodity; I hear one of my colleagues mention sugar. The greatest pressure on the cost

of living today comes from the extremely high cost of another basic commodity, housing.

In my constituency the major problem of housing is the danger of the gradual depreciation and decay of the existing stock of housing, most of which was built some 50 or 60 years ago. Any housing program should include a plan for encouraging and giving incentive to bringing this existing stock of housing up to date; it should include incentives to improve facilities and the environment of areas which are already built up. The present housing act has done something to provide housing for medium income groups in suburbs, but it has done very little to rehabilitate and renew the existing stock of housing where you already have services, schools, and other things provided in the larger cities. The urban centre requires attention.

Mr. Speaker, I was glad to note that the speech from the throne made reference to amendments to the National Housing Act. These amendments, however useful, will not be enough. More is required. We need vigorous and active leadership from the federal government if we are really to tackle this problem of housing. There are already provisions in the National Housing Act for low rental housing. Again referring to metropolitan Toronto, they adopted a modest program for building 5,000 low rental units in five years. So far in the period they have produced only 550 units. I myself was connected indirectly with a project of the federal government in 1953 which was a partnership project with the government of Ontario under the National Housing Act. They acquired 1,800 acres of high class farming land in the neighbourhood of Toronto. They expropriated the farmers' property and turned them off their farms. It cost them nearly $2 million and interest has no doubt been paid over the last ten years, as this instance occurred some ten years ago. Not one house has been built, not one lot sold, not a single service provided in this area. We will need better planning than that particular effort in housing.

It is our view that by effective leadership in the field of housing the federal government could kill two birds with one stone. It could provide employment and at the same time reduce the cost of living for a basic essential of life, and incidentally improve the environment and living standards of many Canadians. We shall await with a great deal of interest how the government proposes to fill out the bare reference in the speech from the throne to amendments to the National Housing Act, because in our view this field provides an important weapon to deal with the whole problem of unemployment.

Mr. Speaker, there is another urgent task for this parliament, I suggest, and that is its own revival as a vital institution. Those of us who are frank will have to admit to ourselves that parliament has fallen into disrepute. Very few Canadians look upon parliament with the respect they should. They fail to see in it an instrument to carry out the constructive plans and purposes which are essential. I think one reason for this low esteem of parliament is the inadequacy of the procedure of this house. For that reason I, and I think my colleagues in this party, welcome the proposal in the speech from the throne that a committee on procedure be established with the aim of strengthening parliament and making it more effective. I urge that this committee be taken seriously by all hon. members of this house and that the members of the committee and of this house do not shrink from radical changes where necessary. Such changes can, in my opinion, be brought about without in any way interfering with the basic rights of the members of this house.

I have on the order paper a resolution dealing with this particular subject, and I do not intend to discuss it in detail now. Unfortunately it is well down the order paper and I doubt if it will come up for quite a long time. I would, however, suggest that very high priority be given to making more effective use of the committee system. Unless that system is working the individual members of the house who are not members of the government cannot make the contribution of which they are capable. I was interested to note that exactly the same discussions are taking place on this matter in the British House of Commons, where they too are seeing the revival of parliament through an effective committee system in which all the members of that house have their part to play in gaining expert knowledge, in contributing to the particular subject on which they are qualified to contribute, and in carrying on the business of parliament in that way.

I also suggest that steps can be taken to eliminate repetitive debate, of which my short experience in the last house gave me quite a taste, and to provide for greater brevity in speeches. I am not worried so much about the private members as about the three-hour speeches which we occasionally hear from the leaders. I think we should endeavour to provide machinery, such as is provided in Sweden and New Zealand, to review and bring to the attention of this house invasions of individual rights by governmental or

bureaucratic action. I was very much encouraged by the Minister of Justice the other day when, in answer to a question, he suggested that the appointment of a parliamentary commissioner, known in Sweden as an ombudsman, would be considered by the committee on house procedure.

Amongst the other matters which are of great concern to my constituents as well as to all Canadians is a comprehensive system of contributory portable pensions, mentioned in the speech from the throne; also the subject of national health legislation or medicare, which was not mentioned. I suggest that this parliament will be judged by the people of Canada by the test of whether it is able to move ahead with other modern and civilized nations to effective legislation in both these spheres of contributory portable pensions and medicare. I do not propose to discuss medicare at this stage because my colleague, the hon. member for Hamilton South, dealt with it very fully last Thursday.

Mr. Speaker, there is one other subject with which I wish to deal, and that is an aspect of Canada's external policies. I am glad the speech from the throne has recognized that Canada's economic progress is vitally dependant on vigorous economic progress and expansion throughout the world. It also recognizes the importance of pursuing active policies for the economic development of newer nations. The fact of the matter is that there has been a serious lack of balance as between the effort and thought that have gone into traditional aspects of defence, and the effort and thought that have gone into building a world community through a world strategy of economic development. This, I suggest, is equally important to the security of Canada as to the security of the world. This imbalance between the attention given to these two subjects is symbolized by the fact that Canada's contribution to what is known as economic aid is in the order of $70 million a year, in contrast to an expenditure of $1,650 million a year on traditional defence. The proportion therefore is that of one to 23.

I suggest that it is quite impossible to face the challenge of aggressive international communism by traditional methods of defence alone. They may be necessary, but in the field of economic aid the western world is lagging and Canada lags behind other sections of the western world.

Let us take a look for just a moment at the world in which we live. It is a world in which a part, namely the western world, has achieved by and large a dynamic economy which has gone far to abolish poverty and which can be justly described as an affluent society. There are still many social injustices and much that has to be remedied, but the contrast between this affluent society and the abject poverty of two thirds of humanity is striking, and it has been growing. The sheer physical needs of the vast majority of the human race remain real, desperate and urgent. Much has been done but much more remains to be done.

The Marshall plan succeeded, through the infusion of large scale capital investment and the unparalleled generosity of the United States, in creating a viable and expanding economy in Europe which I suggest contributed as much as, if not more than, military defences, to the containment of communism. The economies of the underdeveloped countries in Asia, Africa and South America have not been devastated by war, but they too require the infusion of capital on a massive scale, on the same scale and with the same spirit that inspired the Marshall plan.

The speech from the throne recognizes this principle, because it says that the principles of Canadian external policy are those of the United Nations charter. The speech from the throne promises the promotion of the welfare of all peoples by international co-operation. I hope these words are not mere lip service as they too often have been in the past. At its fiftieth session the United Nations general assembly passed a resolution which among other things expressed the hope that the flow of international assistance and capital to developing countries would be increased substantially so as to reach as soon as possible approximately 1 per cent of the combined national income of the economically advanced countries. Canada's contribution to date has been in the order of one fifth of 1 per cent of our gross national product, so we are living up to one fifth of our obligations which the speech from the throne said we accept as the principles of Canadian external policy.

I hope this new government is going to do much better in this field, and we are going to keep an eye on what they propose to do. We will be watching very carefully to see whether the present government proposes to live up to the standards suggested in this important field by the United Nations, and to which the government has made reference in the speech from the throne.

I do not propose now to reopen the debate covered by the subamendment which was so narrowly defeated in the house the other day. I must say, though, that to me it is a tragic thing that Canada should not be leading the nations of the world away from the path of

nuclear dispersion which threatens the destruction of humanity. I find this particularly tragic because the decision of the government appears to have been based upon a view as to Canada's commitments which I find it difficult, if not impossible, to share. It certainly seems to me that if any commitment was made by Canada it was a commitment which was subject to review in the light of changing circumstances.

However that may be, I take comfort from the fact that the Prime Minister, in his famous Scarborough speech on January 11, said, and I have quotations from his speech:

> How can Canada make her most effective contribution to collective security in order to avoid war?

That, he said, was the simple and basic defence question facing Canada. He then went on to make his own view, I thought, quite clear. He said:

> The government should re-examine at once the whole basis of Canadian defence policy. In particular it should discuss with the United States and with NATO a role for Canada in continental and collective defence, which would be more realistic and effective for Canada than the present one.

The present one is the one which the government is now purporting to carry out. The Prime Minister made it perfectly clear that we should at once, and these are his words, "reconsider that whole role at once". In the light of this the Prime Minister went on to make the following statement in his Scarborough speech:

> The greatly increased power and range of nuclear missiles has also, paradoxically, increased the importance of non-nuclear conventional weapons. Cuba showed that. NATO is showing it... Western military thinking is therefore putting more emphasis on the strengthening of conventional forces. For smaller powers—

I take it we are one.

> —this is economically the most feasible form of defence.

I call the Prime Minister to witness that even in his Scarborough speech on January 11 he said that the most feasible form of contribution to defence by Canada and by small nations such as Canada lies in the strengthening of conventional forces. I am also gratified that the Minister of National Defence made it clear that once the commitment which he believes was made by the former government is carried out, Canada should be able to pursue a non-nuclear role in the future. He contributed an article to *The Varsity*, a publication of the University of Toronto, in which he said:

> One of the questions which bothers many sincere people is this: Will not the fulfilment of our commitments now make it impossible for us to pursue anything but a nuclear role in the future? The answer in my opinion is a resounding no.
>
> [Mr. Brewin.]

This is the present Minister of National Defence speaking.

> In the future we will be able to adopt the policy which we think is most in keeping with our national objectives.

He made it clear that he thought the policy most in keeping with our national objectives was one which would forgo the nuclear role and concentrate on conventional weapons. It is for this reason that we welcome the setting up of the committee to examine defence problems, and we hope it will proceed at once, as the Prime Minister has suggested, with a reappraisal of Canada's role in the light of up to date, strategic understanding and the needs of the western alliance. If this is done we are convinced that it will indicate a non-nuclear role for Canada and, indeed, a basic change in NATO's strategic policy.

May I summarize what I have endeavoured to say to the house in these remarks. I say this parliament can be noted for effective steps to modernize Canada's provisions for social security by medicare and a contributory portable pension. It can take the necessary steps to conquer mass unemployment. It can turn away from the path of nuclear involvement. It can make real and effective efforts to build a world community through a generous world strategy of economic aid and expanding trade.

Last but not least, this parliament can revive the fading prestige of parliament itself by businesslike and efficient procedure. This, I suggest, Mr. Speaker, is an inspiring time, and we in this party, and I am sure all other members of the house will contribute all we can to make this parliament effective in this way.

(Translation):

Mr. Ian Watson (Chateauguay-Huntingdon-Laprairie): Mr. Speaker, I should like first of all to congratulate you for having been unanimously chosen for the high position of Speaker of the house.

I trust that during this twenty sixth parliament, our conduct, as members of parliament, will not put an extra burden on your already heavy task.

Mr. Speaker, I was pleased to find out about the scope that is allowed in a speech on a motion for an address to His Excellency in reply to the speech from the throne delivered by His Excellency the Administrator, a motion which, I believe everybody will agree, has been extremely well presented and supported by the hon. member for Northumberland (Miss Jewett) and the hon. member for Lotbiniere (Mr. Choquette). On account of this scope, you will have to put up with a somewhat varied menu during the next few minutes.

My home town as well as the town where I now reside, are situated in the historical

county of Chateauguay, one of the three counties which make up the federal riding of Chateauguay-Huntingdon-Laprairie. I say it is a historical county because it is there that, exactly a century and a half ago this year, a small group of Canadian soldiers under Colonel de Salaberry, distinguished themselves in a military operation considered today by our military historians as the most important of the 1812-14 war. It was a military operation that definitely put an end to the efforts of the Americans who were trying to capture what was then the heart of Canada, the city of Montreal. If they had been successful in their efforts, the whole of Canada, after the capture of Montreal, would have surely and rapidly passed into American hands. Colonel de Salaberry, at the head of a military detachment mostly made up of French Canadians, drove back a much stronger American force in the main operation of the battle of Chateauguay. It gives me pleasure to point out here that several government departments have offered their co-operation so as to ensure a commemoration worthy of this important historical event.

As they had done when they helped England push back the army of Benedict Arnold several years before, the French Canadians at the time of the 1812-14 war recognized that it was to their mutual interest to help England to protect Canada against the forces from the south. It was unquestionably French Canada's loyalty which on October 26, 1813 prevented Canada from falling to the Americans. A hundred and fifty years later, I am convinced that it will precisely be the bicultural character of this country which will prevent Canada from losing its identity and simply becoming another state of our southern neighbours.

It was indeed comforting to learn from the speech from the throne that new and positive measures would be considered and introduced in order to preserve that alliance. The principles of freedom and equality which I think are endorsed by most Canadians must not be applied in a superficial manner or be simply ignored, but must rather make up the basis on which our two main groups, the French and the English, will find refuge, comfort and justice. If we want that status of equal partnership between the two mother races of our nation to be recognized and practised everywhere, terms and conditions will have to be brought into our constitutional regime.

But on the other hand we from Quebec must realize that the idea of an active bilingualism and biculturalism at the national level is something completely new for most people in western Canada. I am sure that English speaking Canada will accept the changes which are necessary to maintain our nation as such, but the application of those changes will meet with difficulties unless they are presented with sound and reasonable conviction, free from any kind of ill-feeling or ultimatum.

It also gives me pleasure to note that our Prime Minister (Mr. Pearson) has announced that within two years, the project of a distinctive flag for Canada will be brought before this house for approval. I hope that when we adopt such a flag for our country, we will at the same time accept "O Canada" as our national anthem.

While the Chateauguay-Huntingdon-Laprairie riding is renowned for its apple orchards, its herds of pure bred milch cows and for the fact that it is the main milk supplier of the Montreal metropolitan area, that region, in view of its favourable geographic situation between the seaway and the American border, is bound to know a major industrial development. I am happy to note in the speech from the throne that this government is preparing legislation on regional planning and development. I want to stress that the area composed of St. Jean-Iberville-Napierville, Chambly-Rouville, Chateauguay-Huntingdon-Laprairie and Beauharnois counties have a potential for industrial development unsurpassed anywhere else in Canada. The American region south of our area, made up of northern New England and New York states, is a rather undeveloped or underdeveloped area as compared with the American area which lies right to the south of industrialized Ontario. I think that it would be possible with adequate planning and a skillful use of our assets, such as our surplus power, for the triangle composed of the southwestern part of the province of Quebec to become, in a more or less distant future, a major industrial centre serving a large portion of the northern part of the New England and New York states, with the help perhaps of some tariff agreements.

(Text):

Mr. Speaker, since the southwest triangle of Quebec, in which my constituency is located, is destined for industrial and population growth simply because of its strategic location, long term regional planning is especially important to us. We are happy that there is an indication in the speech from the throne that legislation will be introduced to encourage long term regional planning for industrial development by the setting up of regional development areas. I hope that

eventually the government may create a special wing of the national research council which would concern itself with long term plans for cultural, recreational and industrial development in Canada 25 or 50 years hence.

May I call it one o'clock, Mr. Speaker?

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

Mr. Watson (Châteauguay-Huntingdon-Laprairie): Mr. Speaker, when I left off this morning I had just completed saying that I hope the government will eventually decide to establish a special wing of the national research council, staffed with planning scientists who will be able to plan for all our needs 25 to 50 years hence.

We realize that most of the area in which this planning will be involved comes within provincial jurisdiction, but I suggest that this special wing of the national research council should have on its staff at least one or two town planners and architects of world wide reputation and that, at the request of municipalities and regional bodies, they should be able to supply plans for the long range development of a particular region with regard to industry, culture, recreation, health and accommodation. I am convinced that Canada needs such a group of theoretical planners if we are to avoid in the future the mistakes resulting from the lack of regional planning which have so characterized our past.

The constituency of Chateauguay-Huntingdon-Laprairie is approximately two thirds agricultural, with dairying predominant as the major farm industry. This dairy industry is faced with two immediate and serious problems. The first is the campaign of the Montreal dairies and the refrigeration industry to force all milk producers in the Montreal milkshed to adopt bulk refrigeration units at a cost of at least $2,000 per farm. As I have heard rumours that some United States areas which have adopted these units are not satisfied with the results, I feel that our Department of Agriculture should launch an immediate, impartial inquiry into the economic benefits resulting from the introduction of these bulk units, and I have sent a letter to the Minister of Agriculture asking him to do just that.

The second problem is the removal of the 25 cents per hundredweight subsidy on fluid milk shipped to butter factories. This has adversely affected many farmers in my constituency. Although the subsidy on milk shipped to cheese factories has been increased by 30 cents per hundredweight, few cheese factories exist; and although the theory behind this move, which is that of switching milk from the production of butter, which we cannot sell, to the production of cheese which we can sell, is correct, unnecessary hardship is being caused.

I suggest that the Department of Agriculture aid butter factories that wish to change to cheese production, by providing through other government agencies the necessary credit for such changeovers. This would go a long way toward alleviating the immediate hardship and toward achieving the end result desired, which is decreased butter production and increased cheese production.

Mr. Speaker, there are approximately 10,000 Mohawk Indians living on two reservations, Caughnawaga and St. Regis, located within my constituency. These people are extremely dissatisfied with the present Indian Act, to the extent that less than a dozen voted in the last general election. The application of the same rules and regulations to Indians living in Montreal suburbia and to Indians living in the Hudson bay marshlands is absurd and antiquated. I shall go into this subject in greater detail at a later date, but let it suffice for the moment for me to state it is to be hoped the government will undertake a complete revision and modernization of the Indian Act.

The question of nuclear arms has special significance to the population of the counties of Chateauguay-Huntingdon-Laprairie. At Champlain, New York, 1,000 feet from my constituency; at Mooers Forks, one and a half miles from my constituency; at Ellenburg Depot, one and a half miles from my constituency, and at Chateauguay, New York, two miles from my constituency are located four hard site offensive Atlas missile sites. The location of these sites, 300 feet underground and within 35 miles of approximately 2 million Canadians living in the Montreal region, guarantees the immediate total destruction of those counties, together with the population of the Montreal area, within the first few minutes of a nuclear conflict regardless of whether Canada remains neutral or otherwise.

To the population of my constituency it makes absolutely no sense to be complaining about defensive Bomarc missiles 300 and 400 miles away from population centres when offensive missiles exist on their very doorstep, guaranteeing their annihilation in the first minutes of any war. Because we sit in the very shadow of those offensive weapons I think we realize better than many Canadians why Canada must co-operate completely in any defensive measures which will make war less likely.

The members of the New Democratic party have argued that Canada can only have an

effective voice in the world, especially among the so-called uncommitted nations, if we refuse to have anything to do with nuclear arms, but surely is it not our special relationship with our southern neighbour which gives the voice of Canada a special position in the world chorus? If this special relationship deteriorates because of our unwillingness to co-operate in the defence of this continent which we share with the United States, then surely the voice of Canada becomes less effective, whether it be in the councils of disarmament or in expounding the view of the uncommitted nations on a particular subject.

This parliament is facing many difficult problems. The right hon. Prime Minister has already indicated that he is tackling these problems energetically and decisively. I would hope that in solving these problems we would not fear taking good advice from our adversaries, and that our guiding formula will be that for each problem a solution exists which is better than any other. This best solution can be found if we gather adequate facts and undertake proper analysis.

Finally, I would hope that once this best solution is determined it will be put into effect without fear—should it mean more government control or planning—of the myth that all government control and planning is evil; and if the particular solution should lie in less government interference and the encouragement of private capital, I hope it will be effected without fear of hurting the feelings of our socialistic friends.

Mr. Eric A. Winkler (Grey-Bruce): Mr. Speaker, as is customary I wish to say it is a pleasure for me to extend my felicitations to you and the other hon. gentlemen who have the privilege of occupying the chair. I express these words with a sincerity which is no less than when I conveyed my congratulations personally. I know that the judgment from that quarter is in good hands. I also wish to compliment the mover and the seconder of the address in reply to the speech from the throne. Although I cannot agree with everything they said, they did justice to the task that was given them.

I notice, Mr. Speaker, that on the list of speakers for today we have the hon. lady from Winnipeg South (Mrs. Konantz), whom I certainly look forward to hearing. Although it may not be evident to the hon. lady, I have noticed that she is a very distinguished person and has deported herself well since her arrival in this house. I might say that she bears a certain resemblance to the first hon. lady to sit in this House of Commons, one of my predecessors. I think the opportunity that awaits the hon. lady from Winnipeg South is much greater than awaited my predecessor—although she will do well to equal her performance—because I recall very well that when the Liberal party decided that Miss Agnes Macphail had occupied her seat for too long, at the time of redistribution the stroke of a pen eliminated her for all time from this house.

As other hon. members have stated in their maiden speeches, I too, after my fourth election to this house, appreciate the honour bestowed upon one so humble as myself in being sent here as a representative of my constituency and of Canada. I hope the hon. members who have made such eloquent addresses will not be disillusioned in the years to come by their participation in this chamber. Certainly this has not been the case so far with myself, and I hope this attitude will not change. I came here in 1957 to represent the people of my constituency and, indeed, all Canadians. I came here to represent all those in my constituency regardless of their political affiliations. I have endeavoured to do this justly, wisely and to the best of my ability. I hope this will remain in the minds of hon. gentlemen who have delivered addresses in this chamber for the first time.

I note, however, regrettably that the old signs of patronage are already becoming evident. This is regrettable when we realize that this is the machine which ran our country prior to 1957. Indeed, just the other day—and I regret that the Secretary of State for External Affairs is not here—we noted the first of these acts in the removal of Brigadier John H. Price from his position at the United Nations, where he had served Canada well and in a distinguished manner. I can only suggest to the members of the government that this will do nothing but harm to our status in that world federation. I regret this. I do not hesitate to suggest that this type of action is becoming evident within the limits of my constituency. Since my entry into this chamber there has never at any time been any member in the government service from my constituency who has not had my support. This applies to any institution of or any position in the government which is within the boundaries of Grey-Bruce.

However, I have now noticed so early in the life of this government that it is becoming evident that the old machine that was very creaky from disuse is getting some oil at the necessary joints. I regret to see this. Not only is it happening in my constituency, but we have had evidence of this in other quarters. I warn hon. gentlemen opposite, particularly those who occupy the back benches, that they would do well to see that such practices are not again put into effect as they were prior to 1957.

It may be that the new era of Liberal control suggested in the *Globe and Mail* of May 23 is becoming a reality. The article in this newspaper is headed "A tighter rein on the Liberals". I believe that such a tight rein ruled prior to 1957, and as I have said, this is once again becoming evident. I do not believe that the Prime Minister himself is responsible for this, but it is under the direction of his chief lieutenant, the Secretary of State (Mr. Pickersgill). Under his control all these things will be enforced. I also believe that the program and strategy that was used to bring the Prime Minister to his present high office was directed and controlled by the Secretary of State. I shall attempt to prove this in a very few minutes.

Before I get into the area of that argument, Mr. Speaker, I would like to say that the constituency I represent is probably the hub of the furniture industry in the Dominion of Canada. I recall that in the days prior to 1957, even with the protection of a 22½ per cent tariff these people had a very difficult time competing with the big industrial machine of our neighbour to the south. The 22½ per cent protection was not enough to discourage imports into this country, and as a result this industry was placed in a very depressed condition. Through the actions of the Conservative government these people realized full employment and prosperity. They had never seen such prosperity. When I hear of the free trade program which is likely to come into being, the slashing of tariffs, I can only say to my constituents "Beware", because this is the warning I put forward during the election campaign. Even with this tariff this industry does not compete very well now, even though they have spent millions of dollars to bring themselves in line with automation and current day production methods It will be an even more difficult thing if this tariff is tampered with for these people to stay in business, as was the case prior to 1957.

However, there is one glimmer of hope which I would extend to the people of my constituency and any other constituency which has this industry within its bounds. That is that the Prime Minister has made a statement —and I have it here—to the effect that we do want some exceptions. I will hang my hat on that very small nail, hoping that when this new program becomes effective the Prime Minister and his government will see that this industry does not pass into oblivion, as we expect will be the case with other smaller secondary industries.

My constituency is also partly rural, and this causes me to consider the activities of the government in regard to that smaller agricultural industry. They are taking a great deal of joy out of the fact that they are now saving $6 million from the payment of subsidies to milk producers. We all realized that something had to be done, but I do believe this has been done to the disadvantage of the small farmer, the man we decided we would support. These people, too, come into the same category as the industrial furniture workers to whom I have referred. My job since I came here has been to stand up for these people in the smaller income categories, and I will continue to fight for them until they say they do not want me any longer. But at the present rate it will be a long, long time before they say that.

As I suggested earlier, the days of patronage seem to be returning. After what was said prior to and during the election campaign I believe this may be a necessary area for the government to move into, but if they return to their former practices they will be put into the street in short order, because I do not think the people of this country will stand for it very long. One thing I know definitely is that the people of Grey-Bruce will stand behind me with regard to the attitude I have taken toward public institutions and for the efforts I have made on behalf of those in the lower income brackets. That is the way I intend to continue, and I suggest my seat will be very secure if present indications of what might happen do come to pass. I cannot be more specific than that; the ministers concerned will know whereof I speak.

It is necessary for me to say a few things, first of all, as to the economy of the country prior to the change of government. I do not think there is anyone in this country, even in the Liberal party, who would suggest we were having anything but prosperity and good times. Yet the hon. lady from Northumberland suggested we must do something to get the economy rolling. That is a fine thing, of course. I can recall one occasion, last New Year's I think it was, when the present Prime Minister told us that one of his New Year's resolution, if he were returned to power, would be to get rid of unemployment. Canadians, he said, could expect something better out of the economy. Well, he may be right, but he had better check with the Minister of Trade and Commerce; because, speaking in Vancouver on February 20, that hon. gentleman said Canada could never eliminate unemployment. There are a number of other contradictory statements with which the right hon. gentleman will have to deal.

As for the Prime Minister himself, he and his whole party planned to kill the last parliament; they planned to destroy it and bring to an end any co-operation which existed in that twenty fifth parliament. All we have to

do to confirm this is look at what he said in the house on October 1, 1962, as reported on page 74 of *Hansard* of that date. Listen to this:

> We have heard a good deal in recent weeks—a good deal more in recent days—of the necessity of putting the national interests above the playing of politics.

We all know what went on. We know what the circumstances were. Members opposite say there was no obstruction, but we know better. Anyone who sat in this house knows this to be the case. The right hon. gentleman went on to say:

> That talk does not come very convincingly to me at least, from those whose concern to avoid an appeal to the people could preserve a state of political weakness and uncertainty such as we have in this parliament today.

In other words he blamed us, in that brief parliament of 1962, because we would not go to the people. I will tell you why he wanted us to go, Mr. Speaker. It was because of a direct design on the part of the present Secretary of State and his minions to destroy the prime minister of the day, discredit parliament and go back to the people on bogus charges. During the campaign the people were told up and down the country that the Conservative government had been spending too much money and was putting Canada into bankruptcy. This statement was repeated time and time again. Yet here is a statement which appared in the *Globe and Mail* of April 18, 1961, shortly after the Liberal party convention at the Chateau Laurier. It begins:

> In promising a miraculous cure for Canada's economic ills, the Liberal party appears to be basing its seven point program of pre-election lures on the assumption that people not only can, but actually want to be fooled.

Well, if the Liberal party ever invoke the promises made at that convention they will see what a broke country looks like in comparison with the good order and high degree of prosperity which existed when the former government left office.

Certainly the former government was ready to spend money. What government with half a brain in its head would not have spent money on coming to office in 1957? There was no one happier to get rid of the responsibility of office at that time than the leader of the Liberal party and those associated with him, and no one more capable to restore conditions of prosperity than we on this side of the house.

Let us look to the United States to see what the situation is there. In the United States, with unemployment numbering 5 million, President Kennedy has proposed to budget for a deficit of $10.3 billion. I think hon. members opposite would be well advised to realize this, because in view of the promises they have made some definite action will be necessary. The people of this country will probably be looking to a balanced budget. We shall await action by hon. members opposite and see what their magic will be as this program gets rolling.

It will not be for us on this side to obstruct the business before us. I think we have deported ourselves very well already. Certainly the government will have my co-operation in this regard though it is a difficult thing for them, after what they did last year, to realize that anyone in this house can be responsible. Let me tell you, Mr. Speaker, and the people of this country, precisely what happened. Let us go back to February 24, 1962. When commenting on a speech by the present Associate Minister of National Defence (Mr. Cardin), one of the Toronto newspapers said the activities of the house had reached "a new low level". I do not have to repeat for the benefit of hon. members what was said on that occasion, but it was one of the most despicable speeches I have ever heard. I can recall another occasion when we read the report of a speech delivered in Toronto by the present Minister of National Defence (Mr. Hellyer), in which he called the then prime minister dishonest. I think, too, of December 19 last when the present Minister of Veterans Affairs (Mr. Teillet) was responsible for shouting down the prime minister of the day.

Let me tell you, Mr. Speaker, what the plan was. It was a deliberate plan, made years before April 8, to destroy the product, which is Canada, to destroy the nerve centre, which is parliament, and then buy it back cheaply. This was the plan of hon. members who now support the government. I shall wait to see the operation of this patronage pattern take effect in order to have verified exactly what I have said. The people of my riding will get the words of this address, and I am the first to say I will back everything I have said. The government and its supporters may disagree, but we are all too well aware of what happened.

I travel now closer to the present day. I think the Liberal party is indeed fortunate to be manning the government benches on that side of the house. I say this in the light of newspaper articles predicting that the next boom will be bigger than the last one regardless of what government sits in Ottawa. This, I believe, is a well known fact among economists who have made predictions in the last few weeks. But somebody had to bring our affairs to this point, and it was a government under the direction of the Conservative party which did it. They certainly took into hand the circumstances which

existed in 1957 and brought us out of a recession which the Grits were proud to wash their hands of.

Then I think, Mr. Speaker, of the charges which were made with regard to obstructionism in the last parliament, and how they continued them on the hustings. I suggest that we read the words of an editorial in the *Globe and Mail* of April 15, 1963. This is the *Globe and Mail* after the election campaign—and I repeat the *Globe and Mail*, Mr. Speaker:

But the opposition—

They are referring to the Liberal party.

—did waste some time and did interfere with the orderly conduct of parliament. The country will be in no mood for a similar performance during the coming parliament.

We believe this, and as a result we will certainly not put on the display that these people put on in the last parliament. If parliament reached a low, Mr. Speaker, we all know who was responsible for it, and there is certainly no question about that statement.

Then I think of a few other things which happened in the course of the election campaign. I think of the words of the present Prime Minister when he said on February 6 that he did not expect to see the election result in no party having a very clear majority in the house, but that if it did all leaders would have to search their conscience and come to the aid of their country. That is what he said in answer to a question from a newsman.

Mr. Speaker, after all the instances I have quoted I should think that the report by Mr. Lubor Zink of the Toronto *Telegram* would be more apt in this regard. Mr. Zink reported that the present Prime Minister did not win a clear majority, when he and the present leader of the government—that is the prime minister of that day—

—should resign to let the two parties work together for the good of the country.

I have heard nothing of that one, although I realize that the present Prime Minister denied that statement later on. Then Mr. Zink, who is no particular friend of this party, went on to say down the line that one or two more lies would not matter anyway. I do not know what he was referring to, but it was in direct relation to that particular question.

Mr. Speaker, it has become evident that we are not going to be terribly concerned about the economic level of this country unless this situation is tampered with. Therefore, if there is any increase in the number of undesirable areas with which we have to deal in this house, we will also be able to put the responsibility for them directly on

the shoulders of this government; and, as I said, they will have my support so far as this parliament is concerned.

Because the speech from the throne is always couched in generalities we cannot refer to very many specific points. That is the purpose of a debate like this, so that we can deal with a wide range of subjects. The subject which interested me was the reference to a municipal loan fund. I am all in favour of such a fund, and I would support it. But the way the Liberal party has projected this idea is, I believe, somewhat different from what the country would expect. I do not for one moment think the country would expect the Liberal government to stay within their support of Social Credit's interest free money, such as the Minister of Finance suggested last year. I do not think that will be the case. But until I see the terms of this bill I will possess my soul in patience and wait for the bill to come forward.

Mr. Speaker, I will tell you why. The winter works program which was projected by the previous minister of labour I believe was superior to the municipal loan fund which is to come forward. The interest rate will have to be extremely low or the municipalities will not be in any different position than they are today. Mr. Speaker, look at the winter works program which was under the administration of the former minister of labour. It contributed directly to the financial support of the communities through the support which we offered to the municipalities if their projects were accepted.

In the final analysis, Mr. Speaker, we will wait and see what the legislative program will be. I am satisfied that as the days go by this party on this side of the house will deport itself and discharge its responsibilities in accordance with what I have stated. We will wait for the legislative program and do our utmost to see that the responsibility of opposition so far as the country is concerned is maintained to a much higher degree in this parliament than it was in the twenty fifth parliament of Canada.

(Translation):

Mr. Jean-Luc Pepin (Drummond-Arthabaska): Mr. Speaker, last week the hon. member for Labelle (Mr. Girouard) and the hon. member for Nicolet-Yamaska (Mr. Vincent) made some rather crafty remarks concerning me. That is why I am participating in this debate. I shall be as brief, concise and calm as hon. members on this side of the house have been in the past few days when they have addressed the house.

However, as I would not want to break well established traditions, it is most natural that I should congratulate all those whom the house has honoured lately.

My riding is one of the most typical and, at the same time, one of the most beautiful in the province of Quebec and in Canada. As everybody knows, it is partly urban and partly rural; it is also typical of the whole of Canada in that it is becoming increasingly industrial and urban.

An American sociologist, Mr. Hughes, looking for the most representative city in the province of Quebec for the purpose of his book entitled "French Canada in Transition", chose the city of Drummondville.

Drummond-Arthabaska is a county where secondary industry, based on the textile and furniture industries, is experiencing all the ups and downs to which it is subjected throughout Canada, and where agriculture, dependant on milk production to a very great extent, is in almost permanent difficulties.

Finally, Mr. Speaker, it is a county which contains a sprinkling of Anglo-Saxons among a mainly French speaking population. Therefore, the problems raised by the relations between French speaking and English speaking Canadians and by federal-provincial relations take on in this riding an unusual meaning. There is a tremendous interest in those problems.

During the recent election campaign it was even said: as goes Drummond-Arthabaska, so will the whole of Quebec go. Mr. Speaker, you will admit that such a typical riding, such a representative riding must have an excellent representation here and that is what I intend to give in the years to come.

Mr. Speaker, for the next 25 years I intend to frequently talk about the problems most dear to my heart, problems which interest me passionately, problems of international relations, of constitutional law, and economic, social and farm problems.

At this stage of my remarks, I should like to say by the way that I am not an economist. I have the greatest respect and admiration for the economists, but I am not one of them, I belong to this new category of sociologists called "politologists". This could be a word to add to the vocabulary of this house where the future of politologists is bright because they are already represented in this house by the hon. member for Northumberland (Miss Jewett), whom I wish to commend for her excellent contribution to this debate, and also by the hon. member for Queens (Mr. Macquarrie).

Politologists are interested in everything. Their eagerness to find out things is uncommon, as I hope to show you in the years to come.

In England, we find in the letters to the editors the phrase "student of politics". Well, Mr. Speaker, I shall be, in this house, a "student of politics".

I intend today to talk about things I may know the least, which will give my hon. friend from St. Hyacinthe-Bagot (Mr. Ricard) an opportunity to say, like so many others, that I am talking through my hat.

There is a danger for me in doing this, but it may be the wise thing to do because the quality of my remarks cannot but improve as compared to my effort of today, and the press will be able to say: the young member for Drummond-Arthabaska is improving daily.

I shall refer therefore to an agricultural matter, especially that of the dairy industry, because it is an important problem for all of Canada, for the whole province of Quebec and particularly for my constituency, an important problem also for my party. In the months and years to come, the Liberal party will absolutely have to improve the agricultural situation in the east. That is a must, if we are to establish the equality we hope for and want between eastern and western farmers, that equality which did not exist in the past, as can be easily demonstrated. We shall try to remedy the situation. That is why, in the speech from the throne, great importance is given to the appointment of a minister of agriculture for eastern Canada. And yet some members of the opposition have ridiculed the idea.

There is no question of impoverishing western farmers but simply to better the lot of eastern farmers. A formula used recently by the Minister of Trade and Commerce (Mr. Sharp) about GATT can be taken up again here: a balance of advantages is imperative.

Here is something the hon. members for St. Hyacinthe-Bagot and Nicolet-Yamaska could do, they could convince their own colleagues of the importance of that matter, instead of wasting their time laughing at those who, like me, consider it very important.

Hon. Theogene Ricard (St. Hyacinthe-Bagot): Mr. Speaker, the hon. member for Drummond-Arthabaska is putting into my mouth words that I never said. I did not deal with that matter concerning the Minister of Agriculture in my remarks on the address in reply to the speech from the throne. In all fairness, the hon. member should withdraw his remarks.

An hon. Member: Prove your allegations.

Mr. Pepin: The concept of absurdity that I was emphasizing stems from the manner in which the hon. member for Nicolet-Yamaska (Mr. Vincent) asked something from me.

(Text):

The Acting Speaker (Mr. Batten): Order. I do not think the hon. member has a real question of privilege, and I would wish that the hon. member now speaking might continue.

(Translation):

Mr. Pepin: Thank you, Mr. Speaker.

Mr. Vincent: I rise on a question of privilege, Mr. Speaker. The hon. member for Drummond-Arthabaska said that the member for Nicolet-Yamaska was trying to ridicule the members of the government.

(Text):

The Acting Speaker (Mr. Batten): Order. I do not think the hon. member has a question of privilege.

(Translation):

Mr. Pepin: The hon. member for Nicolet-Yamaska tried to ridicule me because during the last election campaign, I asserted that I would be the first to knock on the door of the new department of agriculture for eastern Canada. I did so even before the appointment of the minister; furthermore, not only was I at the door, but I was actually inside the office.

Mr. Vincent: Mr. Speaker, I never stated that the hon. member for Drummond-Arthabaska said these things during the last election campaign. It is rather after the campaign, once he was elected, that he asserted he was going to sit on the doorstep of the new department of agriculture for eastern Canada. *La Parole* printed his words 15 days after the April 8 elections.

(Text):

Mr. Pickersgill: Mr. Speaker, I am rising on a point of order. If I may say a word on the point of order, it seems that certain hon. members opposite feel that they are entitled to interrupt an hon. member who has been elected to this house for the first time merely because they differ with things he has been saying in his speech. As Your Honour knows, that is not according to our rules. If an hon. member feels that anything said in a speech is contrary to facts relating to him, he has the privilege of getting up and making a correction at the end of the speech but he has no right whatever to interrupt an hon. member without the consent of the hon. member concerned. I would hope that all hon. members would recall this, and that Your Honour would not be put to the inconvenience of rising constantly to remind hon. members of it.

(Translation):

Mr. Pepin: That is what we call a tempest in a teapot.

So I intend to deal with the decision made by the government on April 29 last to cancel the 25-cent per 100 pounds subsidy on milk that is paid to processing plants. Why this decision? Why the cancellation of that subsidy? To fight the very detrimental effects of the subsidy policy of the previous government, that led to the stockpiling of 200 million pounds of butter in warehouses. This when the federal government had the opportunity to sell cheese, powdered milk and casein, when it could have sold on the foreign market between 5 and 6 million pounds of cheese, when half our consumption of fancy cheese was imported. So we had to give this policy a new direction.

The hon. member for Nicolet-Yamaska—you will excuse me if I refer to him—says that he is in favour of planning, but as soon as action in that direction is contemplated, he condemns it, probably because he is self-assertive. In my opinion, he has not yet discovered the meaning of that word.

Our purpose was therefore to guide production, to discourage butter production without weakening it, to stimulate cheese and casein production because there was a market for those products.

Why did we act so fast? Why was a decision taken in four days? I wondered myself. The answer is that the Agricultural Stabilization Act required a yearly revision, otherwise we would have gone on producing butter and, adding to the 200 million pounds I mentioned before.

If we had pursued the policy of the previous administration, at the end of the year the members of the opposition could have told us: "Where is the planning the Liberal party was talking about?" And they would have blamed us for not taking that decision at that time.

It is also important, Mr. Speaker, to point out that such a decision was taken with the agreement of the representative dairy producers' organizations, the Catholic Farmers'

Union, the Canadian Federation of Agriculture, the National Dairy Council, the Canadian Milk Producers Association. All those organizations supported that step. This is giving a commendable importance to intermediate bodies, to representative organizations, in matters concerning them.

Now, what have we done on April 29 to promote cheese production? We maintained the support price for cheese at 32½ cents and we raised stabilization grants from 25 to 30 cents per hundredweight of milk going into cheddar production. Then, as far as cheese production is concerned, we thought that fancy cheeses were able to move along and find their own way to the domestic and foreign markets.

On the other hand, so that butter production might not be unduly affected, the government deemed it proper to increase the 12 cent subsidy paid previously on every pound of butter to 14½ cents per pound of butter fat.

That is a point on which the hon. member for Nicolet-Yamaska disagrees with the experts other than himself. He claimed that such a decision would result in a loss of $817 for every parish in his riding. And everybody knows now that there are 32.

It seems that the calculations made so carefully by the hon. member for Nicolet-Yamaska is erroneous. He makes his calculations on the basis that 100 pounds of fat are equivalent to 122½ pounds of butter. Now, according to experts from the Department of Agriculture, this is not so. There are 100 pounds of fat on an average for 121 pounds of butter. In my riding, some even say 117.

I do not think it is necessary to appoint a royal commission to determine which experts are right. If you multiply 100 pounds of fat by 14½ cents, you get $14.50 whereas 121 pounds of butter at 12 cents gives $14.52. Therefore, it comes to the same thing.

As far as powdered milk is concerned, it is true that the 25 cents stabilization subsidy has been abolished but the government will buy large quantities of powdered milk with the result that prices will go up. It will pay 11 cents a pound for it instead of the current price of 8 cents or 8½ cents a pound.

Such a step should bring about a price hike as the newspaper *La Presse* stated on May 24, 1963:

> It follows that while producers will lose the subsidy on processed milk, they will benefit from the rise on the price of powdered milk and the companies and co-operatives will increase the price of processed milk accordingly. Experts feel that this increase will compensate for the loss of the subsidy.

As far as casein is concerned, a product used for the manufacturing of plastics, we export it to the extent of 90 per cent. Therefore, a subsidy of 10 cents a pound will work to the advantage of the producers.

Now, Mr. Speaker, the butter, cheese and milk producers will have to let their suppliers share in the advantages they get. I am glad to be able to quote from a letter I received this morning from the Granby farm co-operative:

> If you compare the price paid in the last two weeks of April to the price members will get for the first two weeks of May, you will see that for those periods there is no difference in our case. The price for milk has not changed—

Mr. Speaker, is that a good policy? It is held to be good by the experts and the organizations concerned. At least, it is better than what was going on before, when the heap of butter was left to grow and grow.

I honestly believe it is too early to judge. The days to come will tell us what the results of that policy will be. No doubt there is room for improvement. We are the first to deplore the fact that this initial step the Department of Agriculture had to take for eastern Canada cannot please everybody.

But what does that prove? Well, it proves the need for a minister of agriculture for eastern Canada, to look after the interests of eastern farmers.

It also proves the need for a global policy, a comprehensive policy for eastern agriculture.

It also proves the need to find new uses for milk, whether it be the fattening up of school children or the fattening up of livestock. I apologize for putting both in the same category.

It proves among other things, as the hon. member for Glengarry-Prescott (Mr. Ethier) said, the need to improve agricultural conditions.

It proves the necessity of an over-all agricultural policy, a rational one, and especially of a policy concerning feed grains.

Once again, Mr. Speaker, it is not enough to have vision, or visions, we sometimes need prevision. Sometimes we must do some planning, and we just inherited the situation created by the lack of agricultural planning of the previous government.

I would have liked very much to talk about other questions which have been dealt with in this house. I would have liked to express my personal ideas on constitutional problems and the importance of a bicultural commission, and above all on the importance of bilingualism in the federal administration.

I would also have liked to talk about that administration school which was mentioned by us Liberals during the election campaign. I would have liked to say that this school should be a non-government university school, a federal-provincial school, that it should not only be joint but also bilingual. I would have liked to discuss also nuclear weapons.

This being my first speech in the house, I felt that it was more important to contribute to a reform of parliamentary procedure by being brief.

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

Mr. Pepin: Go ahead.

Mr. Pigeon: Does the hon. member think that the abolition of the subsidy of 25 cents per hundredweight of milk will be detrimental to the farmers, especially in districts like mine where there are very few cheese factories.

Mr. Pepin: According to my information, the "Co-operative agricole de Granby" also takes its milk in the Joliette-L'Assomption-Montcalm area.

Mr. Pigeon: Not all of it.

Mr. Pepin: The facts I have put on the record also apply to the hon. member's riding.

Mr. Pigeon: Not a large quantity of milk.

Mr. Pepin: I did not inquire from all co-operatives.

Mr. Gregoire: Mr. Speaker, I should like to direct a question to the hon. member from Drummond-Arthabaska. The hon. member has just mentioned a surplus of 200 million pounds of butter. Could he tell us whether his constituents have a surplus of butter or whether they run short of it sometimes?

(Text):

Hon. H. J. Flemming (Victoria-Carleton): Mr. Speaker, in rising to participate in this debate I assure you it is more than just an amenity to congratulate you on having been chosen for the high position which you presently occupy and to wish you the greatest degree of satisfaction in that position, because I am sure those are the sentiments of your many friends in this chamber. May I say also that those sentiments apply equally to the Speaker and the chairman of committees.

At this stage I should like also to congratulate the mover and seconder of the address in reply to the speech from the throne. This is the first opportunity that I have had to congratulate them. I feel that they performed their duties in a way that would bring satisfaction to their constituents, and I am sure they brought credit to themselves in this house in the process.

I would like now to mention that the speech delivered by His Excellency the Administrator, contains many suggestions which are thought provoking to all in this chamber. But Mr. Speaker, I am one of those who believe that a nation is only as great as the people who compose its citizenship. I am one who believes in the development of the individual. I believe in the encouragement of his creative instincts and his desire to accomplish things. I believe in the encouragement of his desire to work, and his ambition to acquire a stake in his country, his native land, as a result of effort, long hours of work, and determination.

The talented hon. lady who moved the address in reply to the speech from the throne stated categorically that we have moved from an individualistic society to a collectivist society, and then she proceeded to state that the Liberal party is quite prepared to accept that proposition. I shall quote her own very words:

> I think the party, or most members within the party at any rate, are prepared to accept this growth toward a collectivist society that we have witnessed and furthermore—and this is even more important—are prepared to accept the argument that such a society can simply not be self-regulated, that such a society does require direction and guidance from the main institutions that the people have to help them, namely governments at all levels, municipal, provincial and federal.

I submit that the question can properly be asked, where does this put the Liberal party? How far to the left does it bring it? In my opinion it brings it close to the socialist camp because I assume the opinion expressed by the hon. member for Northumberland (Miss Jewett) expresses the policy of the Liberal party.

It is my opinion that direction and guidance should go from individuals to government, and not from government to individuals. I am unable to agree that we have completely moved to a collectivist society, but I am prepared to acknowledge that the throne speech contains indications of future action by this government which may lead to the condition she envisages as having arrived. Let me first state that governments by their action and by their emphasis can contribute to the development of the individual, or otherwise

but I believe that the individual, by his or her accomplishments, should be the foundation of our society.

The function of government is not to make people happy, but to create the opportunity by which they may make themselves happy. In several places in the first part of the throne speech there appears the word "opportunity". It refers to new opportunities and expanding opportunities, and I like those words. It is good for people to consider that it is opportunity which is important to all of us, to our society, to our young people, indeed to all our people. In this connection I wish to quote two paragraphs from the throne speech:

> You are deliberating the course of our country in times of great change throughout the world. These are times that test old virtues. They are times that open up new opportunities. Familiar ways of thought and action are becoming less certain guides. The task before us is to seek out, with wisdom and imagination, those new paths that will lead us surely forward.

No one in this chamber could disagree with that paragraph. The next paragraph reads:

> As Canadians we can work with hope. Our country has a proud history. Now there are expanding opportunities open to us. But they depend on our overcoming serious problems. It is only with courage and perseverance and hard work that we will achieve the better life that is within our power, for ourselves and for our children.
>
> Our progress is the work of all the people. In a free country, we are all responsible.

Mr. Speaker, in seeking out the new paths which the throne speech states will surely lead us forward, it is my contention that we cannot discard the old virtues and the old attributes which have contributed to our progress, both individually and as a nation over the years.

There is much in the new which we should acquire. This is in fact the Conservative philosophy—the preservation of all that is useful of the past, and the acquisition of the new ideas that make for progress. Those were the guiding principles of the Conservative government from June 1957 to April 1963, a period of nearly six years. Let us look and see what happened during that period of time.

I have before me a condensation of what took place under various general headings. Dealing first with the gross national product, under the Conservative government it increased from $30,500,000,000 to $40,400,000,000, an increase of 32.74 per cent in those six years. Labour income increased from $14,800,000,000 to $20,300,000,000, an increase of 36.72 per cent. Personal income in 1956 stood at $21,800,000,000, and by 1962 it had risen to $30,700,000,000, an increase of 40.70 per cent. Retail trade in 1956 totalled $1,192,000,000, and in 1962 it was $1,455,000,000, an increase of 22.06 per cent. Steel production, which is sometimes used as a measuring stick for development in any nation, rose from 5,301,000 tons to 7,174,000 tons in the same period, an increase of 35.33 per cent. United States tourist expenditure in Canada rose from $309,000,000 in 1956 to $510,000,000 in 1962, an increase of 65.04 per cent. Overseas tourists spent $28 million in 1956 as compared with $50 million in 1962, an increase of 78.57 per cent, and the number of U.S. tourists who came to Canada increased from 27,700,000 to 31,700,000, an increase of 14.44 per cent.

Those, Mr. Speaker, are the accomplishments of a government working with the philosophy I have just mentioned, the philosophy of keeping what is good of the old and picking up what is useful of the new for progress in the future. The results which I have read are tremendously impressive and, as I say, they are the results of Conservative government.

The speech from the throne also states that the ministers will expand Canada's export trade. I can tell them how to do it. Let them just consult the Leader of the Opposition as to how to accomplish this since, under his government, the excess of imports over exports prevailing when the Liberals left office was completely eliminated. From a figure of $713 million unfavourable balance on merchandise account in 1957, the position was changed to a favourable balance for 1961 of $173 million, and for 1962 of $155 million. If you add the two figures together you will find the net difference was close to a billion dollars in that period of time.

I suggest to the government that the intention of setting up more departments, more boards and the establishment of more ministries and councils is something which is not acceptable to the people of Canada who have the responsibility of paying the bills. The proliferation of bureaucracy is something which in my opinion should be frowned upon and not encouraged. The funds for the payment of much needless duplication must come from taxes and the apparently forgotten man, the taxpayer. There is in Canada today an opinion that there is more volume of bureaucracy than is necessary. The Minister of Finance (Mr. Gordon) might tell the house what the annual cost will be of the various departments, boards, councils, etc. forecast in the speech from the throne. In his budget speech he will be obliged to tell the house where he expects to find the money to pay the bill.

Mr. Speaker, I now wish to refer to unemployment for a few minutes. All hon. members will agree, I am sure, with the speech from the throne when it states that this is

the most urgent of our domestic problems. Much has been said about it in this debate, and we are all concerned about this problem. I am convinced that in the final analysis there is only one method of attacking this problem which has any chance of being successful; that is, for government and industry to tackle the problem by working together at it. A solution will not be found by setting up more and more government departments. A solution may be found by encouraging industry to create employment. A man who works for industry is a producer. In this connection may I say, Mr. Speaker, that I believe quite impressive progress was made between the years 1961 and 1962. I find that the labour force in Canada between those two years increased from 6.5 million, in round figures, to 6.7 million, which is an increase of 2.8 per cent. I also find that during this same period employment for all months on the average increased by 4.1 per cent. This is the comment which Canadian Business Service Limited makes in this connection:

> Reflecting the sharp increase in national output, employment rose by 4.1 per cent to 6.3 million thus exceeding the 2.8 per cent increase in the labour force by a considerable margin, with the result that the number of unemployed dropped appreciably from an average rate of 7.2 per cent of the labour force in 1961 to 6.4 per cent in 1962.

Mr. Speaker, the minister of labour of the previous government is in his seat, and I think he deserves a major portion of the credit for that improved result. This government has announced its intention of expanding its bureaucracy. It is my opinion that they should make more use of the many splendid men and women now available in the public service, rather than adding to it. There is too much tendency in government to establish entities which compete with private enterprise, too much application of Parkinson's law, too little use of services which could be performed by private industry, too much tendency to be competitive with industry, too little tendency to be co-operative.

I find that among some influential people in government service there seems to be impatience sometimes almost bordering on contempt of free enterprise and private industry. Where there should be a tendency to encourage, there sometimes seems to be a desire to hinder. Where there should be a tendency to be conciliatory, it sometimes seems there is a desire to be tough. Where there should be a tendency to co-operate, it seems to me there is very often a tendency to compete. I consider that the private enterpriser is entitled to the respect of the government, who is his partner and in many cases receives about 50 per cent of his profits. While on the subject of profits, Mr. Speaker, I wish to say that in my opinion it is profits which are responsible for the payment of bills for the many things which we consider important. None of us would ever receive a cheque for services were it not for taxes resulting from profits. I think the word "profit" should be one of the most highly respected words in the English language. Moreover, it is the measuring stick of an efficient performance. It takes no ability to spend government money. It takes no ability to spend any kind of money, for that matter. Anyone can do it; I can do it. But it does take ability to conduct a successful business, make profits and pay a large percentage as a contribution to general public expenditure, welfare costs and other activities. Therefore, Mr. Speaker, I repeat what I said regarding unemployment, that it is by co-operation and not competition with private industry that governments can have any hope of grappling successfully with the existing situation.

But what do we find this government proposing in the speech from the throne? We find them proposing two ministers of agriculture, and the transfer of the administration of the wheat board to the Department of Trade and Commerce. Are we to assume that this means a tremendous increase in personnel, with the substantial costs resulting from it? They propose to augment the Atlantic development board, already set up with a representative of each Atlantic province, with six extra members. In my opinion, Mr. Speaker, this is a definite political gimmick designed to clip the wings of the existing personnel when it comes to a vote. I wonder how the Atlantic provinces Liberal members can possibly favour this, because if they do it represents their acceptance of the principle of divide and conquer, which was in operation as long as I can remember until the coming into office of the Diefenbaker government in 1957. I will have a little more to say about that when the resolution is before the house.

I take exception to the use of the word "strengthen" in the speech from the throne referring to the Atlantic development board. They should have used the word "lengthen" because that is all they are doing; they are just going to lengthen it to a membership of 11. So far as the capital fund is concerned, I submit that this compares most unfavourably with the plan envisaged by the original act. I submit that the government has no right to delegate the spending of $100 million or any other amount without coming before parliament for approval. The act as originally constituted and passed contemplated that all the resources of Canada would be at the disposal

of that board, subject to the board's recommendation when approved by the minister and the government. The determining factor was to be the economic soundness of the projects recommended. The hon. member from Queens-Lunenburg (Mr. Crouse) yesterday wondered who was going to decide where they would spend $100 million over a period of six years in four provinces, and he was wondering who was going to get the best of the scramble. I think that was a proper question to ask. I might remind hon. members in this house of the Beechwood financing legislation for which this house gave authority in 1958. This was Conservative legislation, impossible under the Liberals but possible under the Diefenbaker government. It provided for financing of that project over an eight year period at an interest rate of 3¾ per cent plus one eighth per cent, a total of 3⅞ per cent. Five of the eight payments have been made and the others will be made when due, partially from earnings of the project itself. That is reminiscent of what the original act was designed to accomplish.

I would also remind the house of the Atlantic Provinces Power Development Act passed by the previous administration, providing for the financing of the construction of thermal plants and transmission lines in the Atlantic provinces of Nova Scotia and New Brunswick. The act is now in operation, the federal government financing the capital cost thereof and annual payments being made, and financial advantages being derived from earnings available from these annual payments. Also tied up in a similar package are the coal subventions so necessary for the maintenance of coal mining operations.

The government further proposes to establish a department of industry with all the technical personnel and expense involved in creating another department. How much may we suppose the estimated expense of this will be? Members opposite propose to establish a Canadian development corporation to more readily direct savings into the building of new enterprises. This is another bureaucratic set up, meaning more people, more space, more expense. They propose to establish a municipal development board for the purpose of lending and granting money to municipalities in order to carry out projects subject to the approval of provincial governments. Another bureaucratic set up; a creature of the provinces. How much will this cost, I wonder. How much encouragement should be given to municipalities to increase their indebtedness?

They propose to establish an economic council, presumably composed of more people. This is the one place where the suggestion is that it may be part of the productivity council and, in that case, there will be no duplication.

I have asked many questions about the government's suggested bureaucratic proliferation. I trust explanations may be forthcoming in due time. However, duplication seems to be the watchword of this government. Perhaps, Mr. Speaker, you are wondering what I would suggest that the government do in connection with these matters. It would be this:

Let the Atlantic development board function under the present set up and see what it is able to accomplish, for a while, at least, instead of clipping its wings as foreshadowed in the resolution.

Let the Department of Trade and Commerce take care of industry by an industrial division.

Let the Canadian development corporation operate under the Bank of Canada.

Let the municipal development and loan board operate under the industrial development bank.

The speech refers in vague terms to consultation with the provinces regarding various matters of mutual interest and concern. It remained for the premier of New Brunswick to make a definite announcement concerning a federal-provincial conference on tax sharing, as reported in the Saint John *Telegraph-Journal* of May 18, 1963. The speech from the throne states that special assistance for technical training will be extended—I should like to emphasize those words "will be extended" —in co-operation with the provinces. But the premier of New Brunswick is more specific. He says:

> There will be a tremendous expansion in aid to technical and trades training facilities on the part of the federal government.

So it would appear desirable that this house should know by how much federal aid for technical schools will exceed the 75 per cent paid by the former government for both facilities and operation, since the premier of New Brunswick states that the Prime Minister (Mr. Pearson) had assured him there would be a tremendous expansion.

The premier of New Brunswick also stated that 90 per cent of the cost of completing the trans-Canada highway would be provided by the federal government. He further stated that the Prime Minister had promised equalization payments as well as adjustment grants. In addition, he said he hoped the Atlantic development board would put up a share of the cost of the Macnaquac project which is estimated to cost $100 million. It looks as if there will not be much left for anyone else. The premier also said that the Prime Minister

and the Minister of Public Works (Mr. Deschatelets) had confirmed that federal assistance would be available for trunk roads.

My comment is this: it appears strange that announcements as important as these and having such extensive financial implications would not be made in the House of Commons rather than in the Saint John *Telegraph-Journal*, even though the latter is an excellent newspaper. Perhaps the Prime Minister will explain.

The speech states that the ministers have undertaken to establish a comprehensive system of contributory pensions. This is simply carrying out an expressed intention of the previous government and I have no hesitation whatever in saying that I favour it strongly, as I did when our government was considering it. I favoured it strongly then. The very fact that the present government is carrying out our expressed intention is most satisfactory and pleasing. The plan suggests contributions by people at an early age, contributions which would continue until the retirement of those concerned. I would point out that this is an encouragement of thrift and saving, two of the old virtues mentioned in the speech from the throne. We shall await with anticipation the submission of the details.

In conclusion, may I submit to this government the admonition that they will do extremely well if, in future, they maintain the progress made by their predecessors. They might well adopt the slogan, "Continue to go forward" as we were going forward prior to April 8.

Mr. Pickersgill: I wonder if the honourable and amiable member for Victoria-Carleton would permit me to ask him one question. The question is this: the hon. member drew attention to the possibility of a new department being set up. Has he forgotten that the previous government asked this parliament to set up a new department expressly that he might be appointed to it, and appointed him to it before he had been elected to this house?

Mr. Flemming (Victoria-Carleton): It is easy to answer that question. Usually the Secretary of State confines himself reasonably closely to the truth, but this time he is nowhere near the truth. That was not done. I made no request and, as my leader knows, there is no basis for the assertion which has been made. There is no foundation for it whatever.

Mr. Pickersgill: Does the hon. gentleman mean there is still no basis for the Department of Forestry?

[Mr. Flemming (Victoria-Carleton).]

Mr. Flemming (Victoria-Carleton): I do not mind answering these foolish questions, though I am surprised a minister of the crown should be asking them. Of course there is a need for a ministry of forestry. But the hon. gentleman implied I had asked the prime minister of that day to set up a department, and that is absolutely untrue.

Mr. Pickersgill: I know the hon. gentleman very well and I am sure he does not want to misrepresent my words. I did not suggest the hon. member asked for it at all. I am sure he did not. I asked him whether he had forgotten that the previous government had set up a department expressly for him and appointed him to it before he was elected to this parliament. I know that the hon. gentleman, like myself, is far too modest to have asked for it.

Mr. Marvin Gelber (York South): Mr. Speaker, in making my first speech in this house, I do not feel among strangers, having been associated with many members in public endeavours for some years. The historic role of this house must impress all who sit here, and particularly those of us who are most junior resolve to use its privileges and perform its duties with responsibility. May I add my word of congratulation to you, Mr. Speaker, upon your election to high office, and to the Deputy Speaker, and to the deputy chairman of committees. For her thoughtful speech in moving this motion, and for her skilful presentation, I would like to say a word of congratulation to the member from Northumberland (Miss Jewett) as well as to the member from Lotbiniere (Mr. Choquette) for his able speech of seconding.

The riding of York South is marked by many things, but none more intriguing than the list of those who have been defeated for election to this house. I speak from experience. A right hon. gentleman, twice prime minister of this country and leader of his party, made his last stand for public office here. Brilliant parliamentarian, centre of many a national storm, Mr. Arthur Meighen did not pass the testing ground of York South. The victor of that day was to meet defeat, when the much beloved Mr. Joseph Noseworthy came, left and came again to this house. With a record over many years, Mr. William Beech has given much service and matched his two wins now with two losses. My immediate predecessor, my friend, Mr. David Lewis, a leading trade union lawyer, made his mark as a debater in this house and now adds York South to his losses. This is one of the anomalies of the party system. Elected, but never defeated, the Hon. J. Earl Lawson served as minister of national revenue.

And now that the subamendment and the amendment to this motion have been lost, redistribution, as mentioned in the speech from the throne, will probably see a rearrangement of this constituency, which runs from Oriole parkway at its easternmost tip to Jane street on the west. Its 63,000 voters represent an important cross section of achievement, not only in the two municipalities but in the wider metropolitan Toronto, in the affairs of the province of Ontario and in many things across this broad country. In government, industry, commerce, trade unionism, banking, the professions, the arts and education, the people of York South are well represented.

This electoral district consists of the village of Forest Hill and most of the township of York. At one time the township included the area between Scarborough and the Humber river. To attend a council meeting involved almost an entire day of travel. The fragmenting of this area into a series of municipalities has helped create the problems of metropolitan administration. The present township within the boundaries of York South is largely residential, while the main roadways afford extensive retail shopping facilities. Some important industries are located along its northern fringe. The village of Forest Hill constitutes about one fifth of the riding, and has been carefully planned to maintain its special character for residential living. It is well known for the high standard of its public educational system.

This government has given notice that it will introduce a number of important bills with a view to increasing the rate of economic growth. In order to achieve this result we must deliberately plan to reach ascending economic plateaus. Forward economic planning of such comprehensive proportions can only be the responsibility of government.

In the past we have lived with certain national illusions. For one, it was assumed that no matter who was in power we would automatically receive good government. With the ins or outs the prospects were equally good, it was said. The future of Canada was assured no matter how well we did our part. This optimistic illusion is now exposed. We must work hard with wisdom, patience, courage and imagination, to meet the many problems which confront us and assure for Canada days of more fruitful prospects and better realization. Economic myths have been no less embedded in our national being. Somehow we would always achieve that rate of growth which would take care of our many problems. A passionate controversy over responsibility for monetary and fiscal policy destroyed one illusion in recent years that bewitched those charged with high office.

At the heart of our economic problem is the rate of capital investment, and the speech from the throne lists measures which show that this government will accept, as it should, responsibility for ensuring a sufficient flow of investment to maintain an adequate rate of growth. But the private sector remains the largest, and in some ways the most important area of investment. I was interested in the criteria outlined by the hon. member from Burnaby-Coquitlam (Mr. Douglas) in this house the other day. I agreed with him as far as he went, but has he not oversimplified the problem? Our objectives must certainly be towards full employment and towards a higher standard of living for our people. But these two do not necessarily go together. In order to achieve both, we must improve and develop the productive capacity of this country through more efficient plant capacity and we must increase the capability of our labour force by investing in those skills that a developing economy will require. We must be particularly mindful of all these things since we, more than others, work in an open economy. The rate of growth here is intimately and directly associated with our international trading relationships. It seems to me that we must add to the criteria of the hon. gentleman in formulating an economic program for Canada.

To ensure a sufficient rate of growth we must maintain a climate of investment congenial to those whose capital commitment is necessary. This cannot be based on caprice or on short-run objectives. The investor has his choices, and we must so provide a framework of profitability and confidence that we attract an adequate flow of capital. But we are much concerned not only about the quantum of investment, but also about its quality. We must offer greater inducements for greater productivity. We want an adequate rate of growth, but not a lopsided one. The problem of inflation must also continue to be of concern.

In the over-all planning for Canadian economic expansion the budget of the Minister of Finance (Mr. Gordon) will be watched with special interest. The remarkable recovery of western Europe underscores both the importance of planning and the agreeable acceptance by the private investment sector of reasonable goals set out in a national program. The success of the European common market has set up special problems for Canada. A strong and prosperous western Europe is certainly a Canadian interest. I was particularly interested in the statement made in this house by the Minister of Trade and Commerce (Mr. Sharp) upon his return from the commonwealth meetings and those of GATT. The possible polarization of trade in the

Atlantic community around separate European and American axes would set up a threat to the leadership which the west must give to the whole free world. The proposals of the Kennedy administration which are aimed at turning the European common market outwards are of great concern to us here.

Historically we have sought in European markets, principally British, to build a sufficient surplus of payments to meet our deficit with the United States. What happens to the other two sides of this triangle is vital to us. We must seek a place in the accommodations which are made. Certainly our present imbalance cannot persist. It is our labour which is being discriminated against, because the more we process our materials the greater are the obstacles of the U.S. tariff. Will the new patterns of trade be adequate to our needs? Will they provide avenues for the emerging states of Asia and Africa? The struggle for Atlantic trade patterns is also a political struggle and much of what we have taken for granted in our relations with our allies will have to be examined critically. There are new challenges, new issues, new opportunities for statesmanship and this government is particularly rich in the needed skills and endowments.

In the ceaseless search for world peace, Canada must maintain the friendliest association with her allies and must maintain the most cordial relations with all nations which seek to secure the international rule of law. This has not always been so. We particularly prize our association through the commonwealth with new states, which give us special approaches in Asia and Africa. Support for the United Nations is the touchstone of our foreign policy, and we give what aid we can to settle international differences by conciliation. Our diplomats are in the forefront of this struggle for peace and understanding.

In a world where starvation is the primary fact of life for more than half the human race, we cannot be unmindful of the needs of underdeveloped countries. We can assist them to solve their problems, and we have contributed to all the multilateral programs of the United Nations. Our major effort has been through the Colombo plan, and it seems to me that such bilateral programs provide the basis on which Canada's international economic assistance plans can be most readily increased. The argument is often made that defence appropriations impoverish foreign aid in competition for the national dollar. This view is too easily spoken and the problem not examined sufficiently closely. There is much that we can do within the existing economic context. A most likely field is in the export of know-how. The new nations are most deficient in technical skills, and this aspect of assistance can be expanded if we offer reasonable inducements to Canadians who might be prepared to make careers in this new field of foreign service.

Addressing the international law association at McGill University some years ago, Mr. Dag Hammarskjold suggested that the United Nations should establish a corps of international civil servants. Men and women prepared to serve the underdeveloped countries would have the security and the career prospects which such a corps could offer with the support of the contributing national governments.

International careers are not opening up; they are becoming more restricted for Canadians. With the increase in membership at the United Nations, which we welcome, the number of jobs available to Canadians is becoming less and less. By opening this additional avenue the United Nations itself can become the vehicle for a full career of international service.

In lieu of this forward looking action by the United Nations, Canada might consider providing within its civil service specially recruited and specially trained people who would be available for posting abroad on attachment to governments needing their assistance and where such aid has been specifically requested. A portion of the cost must be paid by the recipient countries in counterpart funds. The great record of the Indian civil service and similar administrative agencies suggests that a role, now sought by newly independent governments, could be provided for Canadians to serve as others have served with great distinction, people proud in their traditions but modest in administrative and technical skills.

Our commitment to NATO is our most binding international engagement. As a signatory of the NATO pact we were undertaking to play a role in the affairs of Europe in peacetime which in two world wars we had shown to be our national interest. But Europe itself has not stood still. The entente between France and West Germany, which would have been considered impossible earlier, provides opportunities for new co-operation. The coal and steel community foreshadowed a successful trading association with Italy, France and West Germany together with the Benelux countries. This poses a problem for Britain and for those like Canada who have an important stake in British trading prospects.

The rebuff to Britain administered by France is of wider import than trade bargaining. It is political, and political in the most

serious meaning of that term. Nuclear power, not agriculture, is the issue.

Events are moving swiftly and we must be continually examining and re-examining our relationships. American nuclear supremacy is almost too easy an answer for giving military strength to NATO. Britain's special relationship to the United States, particularly in matters of nuclear policy, makes her specially suspect to General de Gaulle. When he says Britain is not sufficiently mature he means she is specially favoured.

NATO is tested by the struggle to establish three centres of nuclear power and nuclear technology within the alliance. The decentralization of control over some of the elements does not satisfy the demands with regard to the command problems of the alliance. German participation raises special anxieties.

Just as NATO itself intimately associated Canada with the defence of Europe, the new struggle is opening the door to an even more closely knit political relationship of Canada to western Europe. A new Europe has emerged and we must ensure that it unites us and does not set us apart. We may look to wider Atlantic horizons to find in some larger constellation a solution to our problems which arise in part from the very success of our efforts. In this developing Atlantic community we may yet look to resolve some of our present problems of trade and defence. But this does not diminish our concern for our wider trade relationships and our support for the United Nations. The struggle for disarmament as well must be persistent and be pursued with wisdom, tenacity and great patience. The stakes are the highest and our best efforts must be engaged.

Canada is moving because we choose to move. But the world about us is moving even more quickly. The optimistic, the automatic, the easy roles were illusory in any case, and we have been carried forward in a bound of good fortune. We have to assess our position critically and wisely. We have to conserve our forces of strength, of which national harmony and economic prosperity are among the most important. In association with our friends and allies we must seek without pause to resolve these problems of the greatest perplexity to advance the interests of Canada and of all mankind.

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): Mr. Speaker, I should like to take this opportunity to congratulate the Speaker, Deputy Speaker and deputy chairman of committees on their election to their high offices. In congratulating the Speaker may I say that I was indeed very pleased that he was the one who received the call. In his previous experience as chairman of the public accounts committee, of which I had the honour to be a member, I know that he did a magnificent and impartial job. I should also like to congratulate the mover (Miss Jewett) and seconder (Mr. Choquette) of the address in reply to the speech from the throne. I wish them well, with but one reservation, only during this parliament.

In taking part in the debate on the speech from the throne I should like to say from the outset that it is not my intention today to speak so much on what was mentioned in the speech from the throne but rather on what was not mentioned, and in particular a matter that received such great publicity during the election campaign. I refer to the adoption of a distinctive Canadian flag.

As a preliminary I should like to say that at times I feel I should be the last man in the house to speak on a Canadian flag or, more specifically, on the red ensign. To me a flag is not just a piece of cloth on a pole. To my mind it is a symbol of what the country stands for.

I may be the only one in this house who has had the misfortune to live under more than one flag and I also realize I may be the only one here who has ever had to live under the flag of the hammer and sickle. I recall one sunny day in November, 1929, when I looked for the last time on that flag and, as is always the case when one comes to the end of a road or a span in life comes to a close, all the past appeared before me. All the things that happened under that flag, the revolution, one of the bloodiest in human history, all unfolded before my eyes. Under that flag there was to be built a community where democracy was supposed to be restored, where freedom, liberty and, above all, equality, would be given to all the people of that country.

I lived through those times but I also lived to see later times when millions sought to flee from this so-called democracy. I also lived to see the time when under that flag the revolution subsided and the so-called newly restored freedom, liberty and equality turned out to be farther from the grasp of the people than ever before. I also lived to see the day when under that flag dictatorship reached the highest point of despotism ever experienced anywhere in the world.

Human rights and freedom disappeared under that flag while, at the same time, millions of lives were sacrificed to uphold the flag and all it stood for. As a result of this revolution millions of people looked for refuge under other flags in other countries such as Canada, and other freedom loving countries in the world.

I was one of the more fortunate ones who succeeded in emigrating to another country, in my case to Canada, and I well recall stepping on Canadian soil and being able to see for the first time the Canadian flag which stood for principles quite contrary to those experienced under the flag of the hammer and sickle. I was also aware of the fact that under this Canadian flag thousands of Canadians had fought and given their lives to preserve freedom and democracy as we know them today, all symbolized in the Canadian flag.

The question arose in my mind: Will we now as new citizens achieve our desire for freedom and the democratic rights which are so dear to our hearts? Will we be allowed to become Canadian citizens? After 34 years in Canada I must say, Mr. Speaker, that Canada has lived up to all our expectations. I will always be grateful to this country for what it has done for me and my family. Canada has earned high respect and esteem throughout the world under this Canadian flag. Canada is a country to which many would like to come if they were only allowed to do so.

An incident which I will never forget happened only a couple of years after we came to Canada. This was the time when our first child had to attend school. Coming from a country where the schools not only served the purpose of education but also served the ends of indoctrination with the communist idea, it was a great satisfaction to us to see the union jack flying over our country school. I knew then and there that this was not going to be a place where our children would be indoctrinated with the ideologies of communism, fascism, or nazism. I can only speak with the highest regard and esteem of the Canadian educational system. It is available to all who have the ability, the will and some means. It was available to my family in abundance.

When we hear so much about the free education the people of the communist countries are supposed to enjoy, I often wonder if people are aware of the other side of the coin. I refer to the fact that you are nothing more or less than a tool of the state, and after the state has given you your education, it takes possession of you. This is not the case in Canada, as everybody knows. When the question comes up concerning a new distinctive Canadian flag, I will always recall the first time I looked upon the union jack and realized the things for which it stood. Latterly, of course, the red ensign, which was adopted on September 5, 1945, stood for all these things.

I am not the only one who is concerned with this issue of the flag. Many new Canadians will also be concerned with the question of a new, distinctive Canadian flag, since all of them at one time or another lived under another flag. Undoubtedly the question will arise in their minds as to whether this new flag will be one which will stand for the same high principles, the same rights and privileges that have been afforded to Canadians of whatever race, creed or colour, as those which were available under the old flag, a flag under which Canada grew to the position of high esteem in which she is held by all the countries of the world. As a result of this national issue before us, all Canadians will search their hearts and souls in an attempt to find the right answer to the question of whether or not Canada should have a distinctive Canadian flag or retain the red ensign. An answer must be found and a decision must be made.

As I said at the outset, perhaps I should have been the last man to speak about the Canadian flag. My purpose in speaking, however, is only to enumerate the high principles for which Canada stands now, and for which she stood in the past, all symbolized in our Canadian flag. However, should the time ever come when this house decides to adopt a new Canadian flag then, as one who believes in democratic majority rule I would accept this decision and swear my loyalty to Canada under this new, distinctive Canadian flag of whatever design. At the same time, however, I should like to be around when the old flag, the red ensign, which to me is the free flag, is lowered for the last time. I should like to pay my last tribute to it, to touch it for the last time and then wipe away a tear or two because of my affection for the old Canadian flag, the only free flag I ever knew in my life and the flag by which Canada is known all over the world.

(Translation):

Mr. Gerard Chapdelaine (Sherbrooke): Mr. Speaker, allow me to congratulate you on the occasion of your appointment and to deliver my speech as if the Speaker himself were in the chair, because that is how it was prepared.

I am pleased to join with all those who have spoken before me in this debate to offer you the habitual congratulations upon your appointment to the office of Speaker of the House of Commons. I do so with pleasure and sincerity, the more so as I have had the privilege of knowing you outside the house and of appreciating your qualities of heart and mind.

I do not intend to compete with Demosthenes, in a flight of oratory, first because I would be hard put to do it and then because I see no point to it.

The debate on the speech from the throne will soon reach its eighth day and I doubt

that the administration of the affairs of the country, which has been entrusted to us, is further advanced than on the second day. I shall therefore refrain from giving my co-operation to this chronic standstill which paralyses us lawmakers. I know that one must suffer great pains to give birth to great ideas but heroism must not be extended to the point where one gets to be fond of those pains.

I could spend much time analysing the speech from the throne to bring out its flaws for the delight of the opposition and the confusion of government members, but previous speakers have done it for me during the first days, and I think that the government has suffered enough while the opposition has rejoiced enough.

I could also speak in praise of my consituency and of my political heroes, but the Sherbrooke riding cannot be described; you have to know it to appreciate it and I heartily invite all hon. members of this house and their friends to come to see us. The tourist industry in my region would be thankful forever.

As for my heroes, I will not even mention their names because you would not accept them and it might make some people laugh.

To make sure that this brief contribution on my part does not sink into negativism, I should like to repeat a suggestion I made in the last parliament to the effect that this debate on the address in reply to the speech from the throne should be made shorter. My first thought would be to do completely away with the whole debate following that speech since the same topics have to come up again in our discussions on bills. But I think such a change would be too drastic, because we must provide some opportunities for politicians to show off their talents.

But so as not to break away from traditions too abruptly, I feel sure that we could set a maximum of three or four spokesmen for each party represented in this house and no one would suffer from that, certainly not our electors. Those speeches could take the form of a legal debate and the speakers taking part after the leaders would discuss only new developments instead of going back over the same stories all the time.

That way, Mr. Speaker, I am sure this debate would have come to an end several days ago and we would now be discussing legislation instead of just quibbling.

I thank you for bearing with me, and I apologize to the hon. members for monopolizing such precious minutes.

(Text):

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, may I join the others who have spoken in this debate in congratulating you and your deputy upon your election to your high office. I should like also to congratulate the members from British Columbia who were appointed to the cabinet, the hon. member for Vancouver Centre (Mr. Nicholson) and the hon. member for Vancouver South (Mr. Laing). The Minister of Northern Affairs and National Resources represents the riding immediately adjacent to mine and is a native of Richmond. I congratulate him upon his appointment.

I should also like to congratulate the hon. member for Northumberland (Miss Jewett) on her speech in moving the address in reply. I was very interested in the content of that speech, and it seems to me that the tiny group of liberals in the Liberal party have a new recruit. I would be very interested to know her reaction to the speech made last Thursday by the hon. member for Coast-Capilano (Mr. Davis) in which he advocated the sale of crown corporations and expressed some fear about the growth of the collectivist society. I should also like to know the reaction of the Minister of Forestry (Mr. Nicholson) to that speech as he remembers, with understandable pride, his part in the creation and operation of the Polymer Corporation.

I would remind the hon. member for Northumberland that when she becomes disillusioned with the role of a liberal in the Liberal party that we have room—in fact lots of room—in the New Democratic party for liberally minded people. She can just keep that in mind.

Mr. Pickersgill: Lots of room—period.

Mr. Prittie: Now, Mr. Speaker, I would like to add a few hundred words to the many thousands which have been spoken on the subject of bilingualism and biculturalism. I am not sure that the term biculturalism has been defined in precise terms as it relates to Canada today, but I think it means that the French speaking citizens of Canada demand that the French fact be recognized in Canada, as it is in the province of Quebec at the present time, and to a limited extent throughout the federal legislature, federal courts and civil service.

It is stated in the speech from the throne that the government will foster the spirit of co-operative federalism. I believe that term "co-operative federalism" was publicly used for the first time at the founding convention of the New Democratic party in 1961. Both the program and the constitution of our party recognize the bicultural and bilingual character of all Canada. I do not think this recognition in our party program and constitution is

the result of the wisdom and foresight of the English speaking delegates to that founding convention. Rather, as I recall it, it was the Quebec delegation which forced the issue, and I remember one Ontario delegate remarking, when the matter came up for voting, "What the devil; let us vote for it if it makes them happy". I think that remark typifies the thinking of many English speaking Canadians. They bear no ill towards French Canadians. Quite the contrary; but they wonder what the fuss is all about. They simply do not understand why French Canada is angry at the present time, but the discussion which has been taking place during the past year has helped to inform them on the subject.

I suggest that to condemn all English speaking Canadians for the dissatisfaction of Quebec and the French speaking residents of other provinces, is a mistake. The average English speaking Canadian who lives in Halifax, Toronto, Brandon, Calgary or Vancouver is not responsible for whatever economic exploitation there has been in Quebec. He did not write the British North America Act. He is not responsible for the composition of the federal civil service, so do not blame him for all these things.

It may have been necessary on the part of the people of Quebec to overstate the case in order to be heard, but I think they have now achieved a result in that the rest of Canada is listening. I suggest the average English speaking Canadian is willing to listen, and he will listen much more readily to those who speak in moderate terms than to those who speak in extreme terms on this subject. It seems to me it serves no useful purpose to speak of ultimatums, a last chance for confederation or even, as the premier of Quebec did, of the state of Quebec.

I may say quite frankly I am critical of the press, but in this particular case I think they have done a fairly good job in recent months in reporting this subject. In my own area the Vancouver *Sun* sent one of its editorial writers to Quebec, and he has written a good series of articles on this subject, trying to explain to readers away out on the Pacific coast just what is the root of the controversy. Having said that, I can state the New Democratic party endorses the proposed royal commission on biculturalism.

More than that we agree there should be a reconsideration of the tax sharing agreements between the federal government and the provincial governments, but here I would add a word of caution and say that, while we believe the provinces do need sufficient revenues to carry out their proper functions of government, we do not want this carried to the extent that the federal government will be seriously weakened, because it too has very serious and heavy responsibilities. We will also want to see the continuation of the equalization formula which has been in existence for a number of years.

If we are to remain a united country, and not just a collection of almost-autonomous provinces, it is essential that some of the revenues collected in the richer provinces be distributed to some of those provinces which have less than an average income. There has to be a great deal of compromise on this question of the allocation of revenues.

Mr. Speaker, while we endorse the proposed royal commission and believe it can serve a very useful purpose, we think there are a number of steps which could be immediately taken by the federal government without waiting for the report of the commission, particularly in the case of bilingualism. I should like to make a few personal comments on that point. None of us expect that Canada will be completely bilingual at any time. Far from it; but we want it to be more bilingual than it is now. In most cases this means that the efficient teaching of French should be encouraged, and we feel more use could be made of instruments now available to serve this purpose.

For example, the Canadian Broadcasting Corporation has done quite a good job in this field in a rather limited way, and I imagine the reason was that it was limited by funds. I refer particularly to the series of programs carried for the last several years under the direction of Professor Vinay of the University of Montreal, the series called "Speaking French." It is an excellent form of instruction and I would like to see more of it both on C.B.C. television and radio.

I would also like to see some C.B.C. French outlets in parts of Canada which are not now served by the French network. Last year I made a plea for a French language outlet on the lower mainland of B.C. I suggested a low power relay station, a relatively inexpensive type of installation. In the lower mainland of B.C. there are approximately 50,000 people of French speaking origin, some of them Canadians, and some who come from France, Belgium and Switzerland, but at the present time they have no radio service in the French language. The establishment of low power relay stations in several parts of the country could carry the French network to places where it is not now heard. This is something which could be done without waiting for a royal commission. It just requires the allocation of funds to the C.B.C. and then it can do the job.

As one who has been on both the receiving and the giving end of language instruction in Canadian schools I know just how bad

and tedious it has been. In past years students in the English speaking provinces have had to suffer through a great many French lessons that were very dull and overly bookish, but there are now available modern techniques which can make language instruction much more efficient and interesting. I refer in particular to the installation of language laboratories in schools. They can do this kind of job much better than it has ever been done in the past, and this is one type of federal assistance to education which might be quite acceptable. Special funds might be made available to the various departments of education, which in turn could allocate them to school boards for the installation of language laboratories, not only for the teaching of French where that is necessary but also for the teaching of English in parts of the province of Quebec. This is a practical measure and I know that many school boards would like to do it, but they hesitate because the cost of these laboratories is quite high.

Apart from the measures which the federal government can take on its own to promote bilingualism and biculturalism in Canada there are certain actions which can only be taken by the provinces, particularly in the field of education. I understand that one of the demands of French Canada is that instruction in the French language be available in provinces other than Quebec. Personally I agree that this should be done wherever there is a sizeable group of people to receive this instruction. But I would suggest to those who are advocating this step that they be patient and prepared to go slow on it. It is one for which they will have to wait, I think, until public opinion in the provinces changes somewhat. Even in the province of Ontario I noticed last fall a sharp reaction, I believe it was in Scarborough, when demands were made to the separate school board—a board which one would think would be quite sympathetic—for more bilingual instruction. I think this will come, but its advocates should be prepared to be rather patient. Finally, Mr. Speaker, on this particular topic of bilingualism and biculturalism I think the point has been made and English speaking Canada is now becoming aware of the problem. They want to see an improvement, but there are those who think as I do—and I think my views are shared by many in English speaking Canada—in wishing to retain Canada as a unified country. We do not want a collection of, as I said, almost autonomous states in a very loose confederation. I think we can achieve a more bicultural nation and still retain a strong Canada.

I was rather disappointed that there was no mention in the speech from the throne of aid in education, and particularly for universities in Canada. This subject has come to the fore in the last day or so while the Canadian universities federation have been in Ottawa presenting a brief to the Prime Minister. They have asked for federal grants of $300 million in the next three years. These grants amount to a great deal of money. I know that the hon. gentlemen on the treasury benches are besieged with requests for help, all of which call for the spending of money, but some things are more important than others. Certainly the financing of university education is one of the most important considerations at the present time. The funds available through the Canada Council in the form of university capital grants are certainly not sufficient. There was only $50 million to begin with and that sum has been considerably reduced. I think this is a matter upon which the federal government will have to take a stand very soon. They do pay certain operating costs, but what is required are capital grants for the construction of new colleges and universities.

I have a general and a particular interest in this topic. My particular interest arises because it was announced recently that a new university, to be called the Simon Fraser university, would be built in Burnaby, specifically in Burnaby-Coquitlam. This university will be on a magnificent site. It will be the third provincial university in British Columbia, and it will be a very expensive undertaking. The provincial government will have to do their part. I would agree right away that the present government of British Columbia does not do the part it should in the financing of universities. I hope we can expect more help from them. Certainly, unfortunately, the students will have to meet part of the cost, but if the university is to be built, federal assistance will be necessary. We do not ask for any special consideration but we hope we may share increased support in the form of capital grants for all universities.

Finally, Mr. Speaker, I noted with pleasure that in the speech from the throne there was reference to the establishment of a municipal development and loan board. This has long been advocated. It was advocated by members of this party as far back as the early 1950's and possibly before that. However, we are not concerned with who advocated it but we are very pleased that something is to be done about it. As one who spent several years in municipal life on a municipal council I can appreciate the problems facing people in local government trying to meet the costs of urban expansion. Therefore I shall look with great interest at the detailed legislation on this particular topic. There were a number of

other proposals in the speech from the throne which I think show promise but with regard to which we must await the detailed legislation in order to pass final judgment upon them.

Mrs. Margaret Konantz (Winnipeg South): Mr. Speaker, as a new member of this house I have been sitting here for eight days listening to other hon. members telling about their constituencies. Most of these constituencies have been either in Ontario, Quebec, the maritimes or British Columbia. For this reason I thought it was my duty to let hon. members know about the area I come from, Winnipeg South, Manitoba.

First, sir, through you I would like to congratulate the Speaker on his appointment. I know, from what I have heard in these last eight days, that he will always show great fairness and clear judgment in all our debates. We are indeed fortunate to have you, sir, as our Deputy Speaker, as we are the deputy chairman of committees. The appointments have been excellent. I would like to take this opportunity of thanking the hon. member from Grey-Bruce (Mr. Winkler) for the very kind things he said about me in this house earlier this afternoon. I only hope I can live up to his expectations. I want to congratulate the mover and the seconder of the address in reply to the speech from the throne. As I listened to the hon. member from Northumberland (Miss Jewett) I was reminded that I, too, had connections in her constituency for, sir, my great grandmother first settled there when she came from Scotland. She and her husband had been given a beautiful farm by her father. Then, too, I thought of my grandmother who, as a bride leaving a lovely part of Ontario, travelled across lakes and up rivers by canoe with her husband, a Hudson's Bay factor, to Norway House which is situated at the most northerly end of lake Winnipeg. I have her diary, and in it she describes the skill of the Indians as they handled their cargoes through the rapids and over the portages into this rugged territory. Those were truly pioneering days.

Mr. Speaker, there are only two of us with the government to represent Manitoba. I must admit we Liberals had hoped during the campaign that there would be more and I can assure you there will be after the next election. However, I can guarantee that the Minister of Veterans Affairs (Mr. Teillet) and I will do our best to hold the fort, so to speak. And I believe we shall be capable of doing this, for I must remind you, sir, that the minister is a descendant of a great man who held the territory which is now Manitoba for Canada back in the years of 1869 and 1870, while I myself, as a descendant of the first governor of the Hudson's Bay Company, a man who developed the tremendous area of Rupert's Land, feel that my roots go deep. Our pride in our ancestors has made us both determined, and we will always fight to a finish. It seems extraordinary that we two, coming from such a background, should be representing the territory where years ago French and English stood side by side to defend Fort Garry and the little community across the Red river against the penetration of the fur traders from the south. Today we two, French and English, stand together to work for our people. I am sure my hon. friend and I will prove to other hon. members that French and English can work together with great harmony and understanding.

My constituency of Winnipeg South is a large one in which 114,000 people live. It is primarily an urban area. It might be interesting to hon. members to know that in this one federal constituency there are five provincial ridings. All these provincial seats are held by Conservative members of our Manitoba government; three are cabinet ministers—our attorney general, our minister of trade and commerce and the minister of labour. I can assure you, sir, that it took all my courage, a woman, to go into this territory to try to win this seat for the Liberal party. It was achieved only because of the magnificent job that was done by over 2,000 workers under the excellent guidance of a brilliant campaign committee. Here, I must pay tribute to my opponent Mr. Gordon Chown who was the hon. member for Winnipeg South for the last two sessions and deputy speaker of this house last year. My family and his family have been friends for many, many years. It was indeed unfortunate that the two of us should be candidates in this constituency of Winnipeg South, but then I was trying with my people to take this seat once again for the Liberals. I have been told that Mr. Chown through the years gave excellent service to his party. I know he was very well liked in this house, and that he will be missed by his many friends.

Mr. Speaker, I am not going to say much about my constituency but I do wish to say a little about the people I represent. Their ancestors came first out of ships from Hudson's Bay, then by the long river route of the fur traders and as Selkirk settlers. These people knew the hardships of frontier life—wars between fur traders, floods on the Red river, massacres, cold, hunger, loneliness. Being so isolated they developed their own ways of life, their own thoughts, their own independence.

With the C.P.R. railroad reaching this frontier town of Winnipeg in 1881 came the

great surge of settlement. People from all over Europe brought their skills, their culture, their experience. These people were so far away from any other centre in Canada they were forced to make their own amusement, develop their own interests in music, dramatics, art.

The growing of grain brought the first wealth to this part of Canada and I believe that this made everyone very conscious about business in other countries. World wide interests were developed, so today you find among the people of my constituency the fierce energy of the pioneer, a kind of informality that was first found at our early forts, a gaiety that has come down through the years, a people with a forward look, and with a world wide feeling. I am proud to represent these people. I am not bilingual, but I found that as I went around the constituency during this last campaign, I was able to meet new friends in three languages—but with an appalling accent—simply by saying "bonjour", "au revoir", "buon giorno", "arrivederci", "slava esusu khristu".

I can assure hon. members that the people of south Winnipeg will welcome the proposals set out in the speech from the throne. They will be particularly interested in the municipal development and loan board which is to finance municipal works projects; in the Canada development corporation which will channel savings into industrial growth, and in the economic council to be set up to develop more employment and more efficient production. In addition, they will be interested in the proposal to set up a new department of industry because, like so many other parts of Canada we, too, have suffered from the ills and causes of unemployment.

The people of Winnipeg South will welcome the proposed amendments to the National Housing Act and the setting up of a national contributory pension plan. The establishment of a commission for the redistribution of commons seats will definitely affect Winnipeg South, for here it takes three to four city votes to equal one rural vote. As one who was thrown into an election campaign without any political experience I welcome the review of the Canada Elections Act which is foreshadowed. We of the west are a practical people and I believe our elections are too expensive and the campaigns too long. They try the patience of the voter, and in my opinion our election machinery could be modernized.

The setting up of a new committee on parliamentary procedure is an excellent course to follow. This committee would, I realize, be one of many which have been named in the past but I would like to think that our present members will be strong enough to see that the findings will be put into effect. Surely the time has come when the business of this house can be streamlined.

A study of biculturalism by a federal-provincial commission set up for that purpose is obviously needed. All French Canadians should feel at home anywhere in Canada.

Plans for the Canadian centennial celebration will give every Canadian a chance to work together for projects that will have real and lasting value. I urge our government to give the leadership that has been so badly needed at the federal level during these last two years.

There is one problem which concerns not only my own constituency but constituencies all over Manitoba, and I feel I should draw it to the attention of all hon. members.

That is the proposed move of the Trans-Canada Air Lines maintenance and overhaul base from Winnipeg to Dorval. There is a long history behind this proposal, and it would seem that through the last five years the government and T.C.A. while saying one thing did another. I do not intend to discuss the details here but I urge the Minister of Transport (Mr. McIlraith) and his department to delve into every angle of this problem before any decisions are made. One thousand of our most highly skilled craftsmen and mechanics and their families would be involved in such a move. Did anyone in the previous government think twice of how such a move would affect these people? It would involve the giving up of their homes, their environment with their friends and relatives they know so well, uprooting their children in the midst of their education, transferring them all into an area so different in every way to what they have known. Surely these people must be given some consideration. T.C.A. is recognized as a good air line but it does not operate on the same terms as a privately-owned venture. It is government-owned and supported by public funds. Surely the federal government should have a definite say in its policies. The Minister of Transport knows that there will be a delegation to protest once again, with representation from our provincial government, the municipalities, business and industry and the trade unions and workers, indeed I could say our whole community. I am confident that the Prime Minister (Mr. Pearson) will carry out the pledge he made to the Liberal candidate for Winnipeg South Centre during the election campaign, that "a new Liberal government will immediately clarify the position of T.C.A. in the light of the full facts which up to now the government has obscured or suppressed."

Mr. Speaker, I want to congratulate the Minister of Trade and Commerce (Mr. Sharp) for the statement he made before this house

last Friday on the two meetings that he attended in London and Geneva. I was particularly interested in what he had to say about expansion of trade to developing countries. You may not know, sir, but I have been closely associated with the United Nations association in Canada for the last seven years. In order to learn more about the work of the United Nations beyond the general assembly I have had the privilege of being able to travel, first through the Asia region of the children's fund under the auspices of UNICEF. This took me to Japan, Formosa, Hong Kong, the Phillipines, Thailand, Cambodia, India and Pakistan. I continued on from there and made brief visits in Iraq, Lebanon, Jordan and Israel. A few years later, with the co-operation of my friends at the United Nations, I travelled for three months through nine countries in Africa, Ghana, Nigeria, South Africa, Rhodesia, Tanganyika, Kenya, Uganda, Ethiopia and the United Arab Republic. Quite frankly, it was the result of these two intensive trips that made me decide to enter politics. Between the years 1956 and 1961 I had found that our image abroad had deteriorated to such an extent that I was anxious to do anything that I could to serve my country. This was the time that we needed the leadership of our great Canadian, one who has given this country such service, who is known so well in so many world capitals for his outstanding ability in international affairs. I speak, of course, of the Prime Minister, a man who is so highly regarded at the United Nations, indeed all around the world. He is a man of peace and understanding, a man who already during his short term of office as Prime Minister has brought credit to our country by visiting both Britain and the United States to cement old friendships. I am proud to be associated with a friend that I have known for many years.

There is not time here today for me to go into the many questions relating to foreign aid. However, I want to say I am one of those Canadians who believes that Canada is not giving enough money, enough technical assistance or enough leadership. But I am one of those people who believes that foreign aid must be carefully planned, co-ordinated with other nations and followed through so that the main objectives can be achieved. I have seen the value of the simple community development schemes in the villages of central Africa. I was told that the women of the Masai tribe could never be trained. But I will never forget the day that I saw these women doing a feeding project for the children of their greatest enemy, the Kikuyu, who were starving as a result of the drought.

[Mrs. Konantz.]

Again I was privileged to witness the opening of an aluminum plant in Lagos, Nigeria, financing of which had been arranged for between Britain, Canada and Nigeria. After watching the way cargoes were taken from the great ships off the coast of Ghana by outrigger canoes, I understood so well the need for the great new harbour at Tema. Foreign aid is not charity. It is more than good business, it represents a true partnership with those less fortunate nations of the world whose living standards must be raised if the free world is to bring a better life for everyone. I pay tribute, Mr. Speaker, to the Canadian students who have gone to Africa and Asia under the auspices of the Canadian university services overseas. These young people are serving our country and learning at the same time, and I am sure that what the sponsor of this program had to say is true, that when these young people come back from a year or two of living and working in these countries they will be far more valuable citizens at home.

It would seem, sir, that there never was a time when there must be greater understanding between young and old, between all our people, between communities and provinces and well beyond our Canadian shores—an understanding between nations. I pray that I will be worthy of the trust that the people of Winnipeg South have placed in me.

(Translation):

Hon. Leon Balcer (Three Rivers): Mr. Speaker, I should like at the outset to congratulate you on your new appointment. I should like also, through you, to congratulate the new Speaker of the house. The new Speaker came here at the same time as I did in 1949. We have always been fond of each other. I have especially noticed his first names: Alan Aylesworth. I remember that, as a child, I had the opportunity, at Pointe du Lac, in my county of Three Rivers, to see every summer the great and very influential politician that was Sir Alan Aylesworth, Sir Wilfrid Laurier's right hand. I remember that Sir Alan Aylesworth used to tell us about his political memories. I am convinced that if he were still alive, he would be proud of the new Speaker.

Mr. Speaker, I should like also to extend my congratulations to the mover and seconder (Miss Jewett and Mr. Choquette) of the address in reply to the speech from the throne.

(Text):

I should like to congratulate the mover not so much for what she said but for the way she said it.

(Translation):

As for the hon. member who supported the motion, I wish to congratulate him for having performed his task with great dignity.

Mr. Speaker, it is not easy, these days, to deal with Quebec and the French Canadians, and to explain what is going on in the province of Quebec.

I know that the bombings by the madmen of the F.L.Q. have spread confusion, but I should like to assure the house as well as all those who are listening that these bombings are the work of only a few who have been condemned by all the associations, by all the people of the province of Quebec endowed with a sound judgment, and even by the most fiery separatists.

There is surely a revolution boiling up in many fields right now in the province of Quebec, but it is a perfectly peaceful revolution, and it can be summed up this way.

The French Canadians want to play a greater part in the economy of the province of Quebec. Nobody can find any fault with that, it is a perfectly natural aspiration. It must even be encouraged by all possible means. There is unquestionably in the province of Quebec a movement, especially amongst the young people, according to which our young French Canadians should play a more active part in the economic, social and political life of the province.

To begin with, there has been changes in the field of education. Under the Hon. Paul Sauve, great steps were made in this field. Under the government led by Mr. Barrette, nine marking pieces of legislation were enacted, while since Mr. Lesage came into power, inquiry commissions have been set up and a real effort has been made in this direction.

There is something quite noticeable right now in the province of Quebec, in the streets or everywhere. When one talks with young people, they show a very real desire to learn, to qualify themselves, and this desire is sometimes reflected in outbursts of impatience.

I wish to point out to the house that this is a very invigorating atmosphere, and one that we shall not be able to destroy.

There has also been great changes in the church in Quebec; perhaps the church was somewhat too traditionalist. But today, there is an extreme liberalism boiling up in this same church. There is a modernism with which we were not familiar before. There is also a certain secularization taking place in the Catholic religion in the province of Quebec.

All this has contributed to create a new mentality among our people.

Unfortunately, that trend which reflects that great desire on the part of the French Canadians to play an even more important role in the province of Quebec gives rise along the way to a wave of separatism, a wave powerful enough to warrant our attention.

Two or three years ago, people did not take that separatist movement seriously and, for my part, I felt it was but another one of those short-lived movements which come up about every 20 years. I thought it was politically weak, that is weak in numbers and not homogeneous enough. But today, the movement has become more homogeneous and even turned into a political party.

I must tell you that it is quite strong among the youth of the province of Quebec. That even surprised me. I made a survey among the young people of my beautiful city of Three Rivers and was able to find that, not only among the university students, but also among those in our convents and colleges, that separatist feeling is real.

If we look for an example of that force, we simply have to notice the outbidding which is done at the provincial level towards the separatists. I can give further evidence of the seriousness of the situation. We just have to read the article under Peter Newman's byline which appeared last week in *Maclean's* magazine, which makes us wonder if, in fact, Mr. Lesage, the premier of Quebec, would not become Canada's prime minister or the president of the Quebec republic. I know that this article by Peter Newman contains a flash of wit but there is also quite a bit of seriousness.

Anyway, it is obvious that Quebec is going to sink more deeply into separatism.

As for me, Mr. Speaker, I believe that the only way we can provide for such an eventuality is to ensure that the young French Canadians who have a great desire to play their part in the economy and in the political life of the province of Quebec, be able to participate as well in the economic, political and social life of the whole of Canada.

And to do that, ladies and gentlemen—I beg your pardon, that was left over from the last election campaign—sacrifices will have to be made on both sides. Besides we are somewhat used to that because it must be remembered that, in the last hundred years, living as we do next door to the American giant, we have had to make sacrifices in order to keep our independence and our sovereignty. We have had to accept a standard of living lower than our southern neighbour's, only to be part of that sovereign Canada.

If we want to keep our country whole and united, we will have to make still more sacrifices. There is no doubt that our English speaking friends in the other provinces, as well as in the province of Quebec, will also have to make sacrifices. Why? Because they have the upper hand in our country's business and especially in the central state.

The royal commission on biculturalism or bilingualism will undoubtedly do some good since it has been approved. However, it will take two years to present its report. And it is much too long considering the turmoil in which the province of Quebec finds itself at the present time.

Canadians must realize without delay that we, French Canadians, want a change as soon as possible. First of all, Canada must have a distinctive flag without further delay. Even though we urge French Canadians of the province of Quebec to believe in a great and united Canada and to be Canadians first of all and Quebeckers after, they always reply along the same lines: "How can we believe such a state of things, how can we have a national feeling strong enough to believe in a united Canada when we do not have a distinctive flag or a national anthem such as 'O Canada'?" I ask then all Canadians to sincerely weigh the arguments I have just outlined concerning this problem.

At this time, it would be appropriate to make an effort in the field of federal services. As you know, the old question remains to be dealt with. What French Canadians consider most insulting, is to see that they are not proportionately represented in the central administration.

French Canadians do not hold as many senior posts as they should. I think that the best way of rectifying the situation now is to grant to each bilingual person, that is to anybody who has taken the trouble to learn both this country's languages, a supplement of 5 per cent in every civil service examination.

I want to call the attention of the house to a particular point. I would like the cities of Ottawa and Hull to become an essentially bilingual federal district which would really represent the union of both cultures and of both ethnic groups in this country. First of all, there is the needed number of people. All that is required is to create a federal district comprising Hull and Ottawa under a commission where both ethnic groups would be represented in equal numbers. French Canadians from the province of Quebec will then really feel that this is their country's true capital and will really feel at home here. Such a suggestion would, of course, require some sacrifice, and a great deal of consideration on the part of our English speaking friends.

However, I hope that they realize what the situation is at present in the province of Quebec, because it is really a rather difficult one.

Further, our Anglo-Saxon friends, mainly in the province of Quebec, could make true friends among French Canadians by helping to create the impression that the latter may live as successfully in our confederate system as English Canadians.

I now come to the industrial field. I know that some laudable efforts have been made in that direction. However, if we look around us, for instance in the beautiful town of Three Rivers, which, incidentally, besides being certainly the finest city in Canada is also the greatest paper manufacturing centre in the world, where paper is made from pulpwood taken from crown lands in the district of Mauricia, and where five or six large paper mills have been operating for the last 40 years, we would see that, unfortunately, French Canadians working in those paper mills, who thoroughly know their trade, as they have been employed there all that time, seldom rise above the rank of foreman.

In the last few years, something has been done along these lines, but our effort should be increased. Of course, there are people who say: "Perhaps they did not have all the necessary education and technical preparation." However in that same period, at St. Jerome and Mont Rolland, a French Canadian firm set up a paper mill that was as successful as those in Three Rivers. So I think that in that field, big corporations will have to make sacrifices.

Indeed some people say that these big industries had the necessary capital for that purpose, but I feel that this argument is slightly exaggerated. In fact, I could mention the example of one company that came to Canada with a capital of $1.5 million at the very beginning of world war II; today it has a capital of more than $350 million, because it received financial help from the governments.

As a matter of fact, I am of the opinion that the argument put forward by the French Canadians: "We do not have capital" also has some flaws.

On the other hand French Canadians must be prepared for sacrifices and they must consent to make a serious effort to save and

strengthen confederation. We should not forget that confederation, which has been in existence for 100 years, constitutes a formula which has been of some service to the French Canadians, which enabled our group to develop, maybe not as fast as we would have liked to, but it nevertheless rendered immeasurable services. I am not one of those who pretend that we should destroy confederation, because it does not serve any purpose any longer. Confederation made Canada the great modern country it is today.

When French Canadians ask for changes, they should not forget that we have retained our ethnical individuality through confederation.

Let us remember that while we might feel we face serious problems today as far as saving confederation is concerned, those problems are very minute ones compared to the problems faced by Cartier and Macdonald in 1867.

This is why I believe that the ultimatum delivered by Mr. Lesage, the premier of the province of Quebec, was out of place. In my opinion, it was Mr. Lesage's duty to use that bit of common sense which would have been expected from the present leader of the province of Quebec. Quebec undoubtedly needs increased revenues and there are undoubtedly improvements to be made in the field of taxation, but did not our government increase equalization payments from 10 to 16 per cent in the short years we were in office? It would have been possible to discuss those problems around a conference table, and that is why I am asking the federal government to call a meeting of the representatives of the various provinces to discuss the problem of taxation.

I think everyone can expect Mr. Lesage to come to the conference table, as the representative for the province of Quebec, to get a better tax-sharing arrangement. That ultimatum of Mr. Lesage to the effect that the province of Quebec would get out of confederation if it did not get 25 per cent of taxes, should not have been delivered.

French Canadians have a right to make claims but their requests must retain a sense of measure. We must not forget that confederation was very beneficial to us and that it still is today.

I do not think that the statement made by the minister for municipal affairs, Mr. Laporte, to the effect that provinces had to be sovereign states united into a confederation, is likely to improve relations between the various provinces in Canada or between the two ethnic groups.

Nowadays, we see the European countries, age-long enemies, stand shoulder to shoulder to form the common market.

Mr. Speaker, I sincerely think that if we so wish Canada will live another hundred years as a great country. Sacrifices will have to be made on both sides and federal as well as provincial representatives of the people will have to show great statesmanship. We all want Canada to be a great country. We want both ethnic groups to be able to develop according to their aspirations. That can be done if we go hand in hand, shoulder to shoulder. I am certain that Canada will be a strong country, a great country and that a bright future lies before us.

(Text):

Mr. Leonard P. (Red) Kelly (York West): Mr. Speaker, I am not sure whether or not it is because I do not have on my skates, but it feels much more slippery here than it does on the ice. I should like to offer my congratulations to you, Mr. Speaker, and also to the Deputy Speaker on your election to these offices. I had occasion to get to know the Deputy Speaker a little bit during his first election campaign when I visited his constituency in order to help him in my own small way. I am certainly greatly pleased with the honour he has received in this appointment.

I should like also to congratulate the mover (Miss Jewett) and the seconder (Mr. Choquette) of the address in reply to the speech from the throne. They certainly set a good example and I know that it is one with which I shall not be able to keep up; but I will certainly give it a good try. The position of the Speaker in this house reminds me a little bit of the referee in a hockey game. He has to know the rules of the house and he has to be able to set them out. Some Speakers are a little more rigid than others, and some are a little lenient. Sometimes they have to hang on a misconduct penalty, as happened in the last parliament to one of the Social Credit members. As a matter of fact the Speaker had to call on the Sergeant-at-Arms to make sure the hon. member went to the penalty box, but I am confident that we will have a little better conduct in this parliament.

Mr. Speaker, I have been a little slow in rising to make my maiden speech. I was not sure whether I should speak right away or wait for a while, but I received so much publicity in the last parliament by not speaking that I could not hope to achieve that much again.

Speaking for the first time in the House of Commons is a rather awesome feeling for a new member. It is not like speaking before an ordinary crowd. We have hon. members who are reading their newspapers, some doing

their correspondence and others get up and leave just before one begins to speak. Then there is the odd one who is catching up on a little sleep that he missed. But seriously, sir, I would like to thank all hon. members of this and the previous house, and all the government staff who have been so kind in offering me their assistance. As a rookie in the house I was pretty green. I still am; but all the people I mentioned have been very kind to me and I would like to extend my thanks to them.

When it comes right down to it, the House of Commons reminds one of an amphitheatre in the days of the Romans when, having concluded your efforts, you look up to the gallery to see whether you get the thumbs up sign.

I first became acquainted with my riding of York West during my school days at St. Michael's College. I used to take the girls out from St. Joseph's and ride the streetcar down to the end of the line where we went dancing at the Old Mill. As a matter of fact we had to walk the last 500 yards or so because money was a little scarce in those days. Since then however the riding has changed greatly. It has become one of the fastest growing areas in the country.

It is bounded on the eastern side by the historic Humber river, on the south by lake Ontario, on the west by the new international airport and on the north by Thistletown and the Albion road. It is really a melting pot in a melting pot, and its population consists of pretty nearly every type of nationality conceivable. It has industries both large and small, approximately 800 in all. Some are Canadian owned and some are subsidiaries of United States firms.

One company in York West with a sales promotion of about $6,500,000 has just expanded into the United States, setting up a branch in Manhattan, New York, right in the heart of the American competition, but with no fear of not coming out on top. I think this is remarkable at a time when we are worried about how U.S. companies are taking over Canadian firms, and when we are worried about how Canadians will fare as we decrease tariffs on exports and imports. I feel this company deserves a great deal of credit. Also in York West we have a first in Canada, and that is pay T.V. I am happy about this, Mr. Speaker, because it gives me an opportunity to appear before my constituents every Sunday night.

As I have said, York West is one of the fastest growing areas in the country. Between the last two elections it showed an increase in eligible voters of approximately 6,000. My constituency is about 116 square miles in area and holds 100,000 voters. I may say that to represent so many people is a big job.

Because it is a fast growing community we have an influx of many families with a lot of young children, and these children have to have an education. We are pretty proud of the educational system we have in York West, both academic and physical. Academic education comes under provincial jurisdiction, but the physical education is a concern of all Canada, and comes under both federal and provincial jurisdiction. I feel that in the past few years we have become rather lax in regard to our physical fitness, probably because of the many modern conveniences we have which we never had 50 or 60 years ago. It boils down to the fact that we do not get enough physical exercise, and I believe a physical fitness program should be carried out to the fullest possible degree. I might point out, sir, that we suffer from a lack of physical exercise in this house. The only exercise some hon. members get is rising to speak often, but that is not a well balanced program.

I have some comments to make with regard to a Canadian flag and a national anthem. I was raised by my father and mother to honour and respect the Queen and the flag, but I am one of the younger generation and maybe this is why I have some of the feelings I do. In my career I have had the opportunity of travelling a little bit around the world and of appearing before crowds in foreign countries. When my team appeared in public, before our performance we stood in the spotlight and they used to play "God Save the Queen." Of course we stood at attention and we were very proud to do so. But during the last few years "O Canada" has been played the odd time. As I have stood before these people in a foreign country and they started to play and sing "O Canada, our home and native land" I have felt great pride and my chest stood out a little more. They were singing about our land, our home.

All this made me feel we should have a flag and a national anthem. This Canada of ours is young. It is a young land. People are coming to it from many different countries to settle here and be Canadians, and we should have our own national anthem and a flag that is representative of all of Canada.

An hon. Member: The maple leaf?

Mr. Kelly: There was a little criticism about the length of the speech from the throne but I feel it is not the form but the quality that counts; and the legislation outlined in that speech, if put into effect, will be good for the country. In addition it stated that more legislation will be introduced later. I

think this is all that can be asked for. If these measures are put into effect the country will be in good shape and Canada will be put where she should be.

One paragraph in the speech from the throne referred to a municipal development and loan board which would provide loans to municipalities for the carrying out of projects to increase employment and improve services. I have talked with the municipal representatives in my riding and those in the surrounding districts. These people are interested in this legislation and are very anxious to receive the assistance provided by it when it is passed by the house.

During the election campaign and after I was elected I was asked, as I imagine most members of parliament have been asked, why I decided to run as a member of parliament. I know that all hon. members feel the same way as myself in thinking so much of Canada and her future, wanting to be part of that future and helping this country grow. I know this is the feeling of all hon. members. However, there was one reason in particular which I should like to mention. I had the opportunity of meeting our Prime Minister (Mr. Pearson) on several occasions and I admired and respected him a great deal. The more I talked to him, the more I read of his past political history, the more I thought this man could be the tonic Canada needs. I felt he could do a whale of a job for the future of Canada. That was one reason for my running as a member of parliament. Then after I had been in the house for a short time and had more occasion to be closer to him and see him at work, my respect and admiration grew. I think that this government, with its legislation put forward under the leadership of our Prime Minister, will put Canada where she should be.

Mr. P. B. Rynard (Simcoe East): Mr. Speaker, I should first of all like to add my congratulations to those of previous speakers upon your appointment. I should also like to congratulate the Speaker of the house and the other officers upon their appointment. May I also congratulate the mover and the seconder of the address in reply to the speech from the throne. I thought they made an excellent contribution to the debate. Finally, Mr. Speaker, may I congratulate the hon. member for York West (Mr. Kelly) upon the very interesting speech he made this afternoon. If this is an augury of the speeches he will make in the future, introducing a little humour as he did today, I am sure we will all be very grateful.

As a representative of Simcoe East and a member of this parliament and of the previous Conservative regime I should like to say that I am more than proud to be a Canadian. I am more than proud to have been a member of previous parliaments, when so much was achieved under a Conservative government.

I think it is well for us all to remember that this is a great country which has done great things. I do not think I can do better than quote from the Ottawa *Journal* of May 1, wherein appeared an article entitled "A house left in good order". I think that after the election all of us should be proud of the position we occupy and have attained as Canadians. This article in the Ottawa *Journal* says:

> He left—

This is referring to Mr. Diefenbaker:

> —a country whose national production in 1962 had climbed 8 per cent to a peak of $40.4 billion—

Mr. Speaker, that is the first time in the history of the western world that any country of less than 20 million people has achieved such a great increase in gross national product. The article continues:

> He left him with a country which, after years of trade deficits, had at last achieved a favourable trade balance.

I think all of us, no matter what our political affiliations are, can be proud of the achievement Canada has made in this regard. The article then says:

> He left him with a country which, on the testimony of President Kennedy, had achieved a greater price stability than any other western industrial nation.
>
> He left him with a country whose reserves of gold and U.S. currency had been brought to $2,700,000,000—the greatest reached in years.
>
> He left him with a country in which, during 1962, trade had reached an all-time high; in which manufacturing had jumped by 8 per cent, construction by 8.2 per cent, business capital investment by 4.8 per cent, outlays for new machinery and equipment by 8.6 per cent, and consumer spending by 5 per cent.
>
> In short, Mr. Diefenbaker left Mr. Pearson with a country whose people were producing more, selling more, earning more and saving more than ever before in their history.

Mr. Speaker, I do not say this as a matter of politics, but as a Canadian I am proud of what has been achieved. The article continues:

> Mr. Pearson has said that he will "get the economy going", "restore confidence".
>
> If Mr. Pearson can "get the economy going" beyond an increase of 8 per cent in the gross national product in a single year, we shall all be grateful to him—

I for one, Mr. Speaker, hope that he can. The article continues:

> But what many must wonder about, in the light of the facts we have cited, is what Mr. Pearson can have in his mind when he talks of "restoring confidence". Was there really any lack of confidence, or reason for lack of confidence, in a

country which in trade and income and price stability surpassed every other western nation in 1962?

Again, Mr. Speaker, I am proud to be a Canadian and a member of this parliament:

We must all hope that Mr. Pearson does well; to wish him well is but to wish well for Canada. But for truth's sake, if for nothing else, let Mr. Pearson and his friends stop trying to give the impression that they took over a broken-down Canadian economy.

Mr. Speaker, there are a few points to which I wish to refer. During the last election, in the campaign promises and statements of the Liberal party were to be found items referring to early tax reforms, a balanced budget, municipal aid and many other things. I should first of all like to deal with the promise made to establish a municipal bank where this meets, of course, with provincial approval, from whom money could be borrowed at favourable rates on the advice of the province concerned. As a matter of fact, Mr. Speaker, the previous government had been doing this through the winter works program and by providing money at low rates of interest for the building of sewage plants, waterwork establishments, and so on. The municipalities were also given the incentive that if the work was completed in a certain length of time some of the debt was written off.

The municipal taxpayer is hard pressed at the moment by taxes that are needed to pay for local needs and I am surprised at the archaic way in which we are collecting money from taxpayers at the municipal level, then giving money back to the provinces, which is in turn given by the provinces to the municipalities in the form of grants. I would ask hon. members to consider the cost and the machinery involved in collecting this money at the federal level, giving it back to the provinces, going through all the machinery again and all the people necessary to handle it, then the provinces giving it back to the municipalities after the amount necessary for handling has been deducted.

Today in most municipalities 50 per cent or more of the tax dollar is spent on education. This is very necessary but it occurs to me that the federal government should be making larger grants to the provinces in this area. As we all know, they administer the Unemployment Insurance Act and are responsible for dealing with the effects of unemployment. We also know it has been found in surveys that the ranks of the unemployed are largely made up of those who are uneducated. It seems to me, therefore, that we should use our best efforts in educating people to a higher level, especially if this will help ease the unemployment situation, as we know from these studies it will. It seems to me the federal government should be accepting a greater responsibility with regard to helping the municipalities meet their education costs. It occurs to me that the federal government did in effect accept this principle when it went across Canada building hundreds of technical schools and accepting 75 per cent of the cost. We should go on from there and help the municipalities cover their education needs.

The Canadian Tax Foundation has published a book called "The Burden of Canadian Taxation" by I. J. Goffman. It divides the people according to three levels of income —those earning less than $4,000, those earning between $4,000 and $7,000 and those earning over $7,000. It is estimated that more than $6 billion a year is collected as taxation by the three levels of government—this survey, by the way, was made in 1957. The federal government takes over $4 billion of this amount while the provincial governments and the municipal governments take just under $1 billion each. Roughly 57 per cent of the five million taxpayers covered by this survey paid 25 per cent of the total taxes collected. They are in the $4,000 and under group. I do not think we should lose sight of this. It is interesting to note that these people contributed about 23 per cent of the federal revenue and 26 per cent of provincial revenue, but that at the municipal level they contributed no less than 34 per cent. This would indicate that the people in the lower income group, the little people, pay more to government at municipal level than they do to either of the other two levels of government. It is also interesting to note on reading this survey that people in the group $7,000 and over pay 40 per cent of the aggregate of all taxes. But this time the pattern is reversed. They pay almost 43 per cent to the federal government, 40 per cent to the provincial government and 30 per cent to the municipalities.

Let us put it in another way. Seventy per cent of all municipal taxes in Canada are collected from those with incomes of $4,000 or less, so any relief in respect of municipal taxes helps the lower income groups first—the labouring man, the farmer, the low income worker with a small family, people who need more help than any other group. These are the men we must be interested in; we must see that their families, their children, are looked after.

It seems to me somewhat archaic that we should not allow any exemptions in income tax in respect of municipal taxation. I think a change in this respect is long overdue.

Similarly, we do not allow income tax deductions in respect of interest paid by a home owner on a mortgage, this is a situation which I believe needs attention right away. In the United States, both municipal taxes and mortgage interest are allowable deductions. Action on these lines would do a good deal to help the small fellow to own his own home and to have a stake in his country.

To follow this theme further, it would seem to me that even without the aid of a municipal bank the chartered banks should, on a well secured loan—the security being, for instance, taxes which are to be paid or government grants due to be received—be able to lend money at a preferred rate of interest. I say this because such loans are virtually guaranteed.

I should like to touch on two other matters briefly. The first is the cancellation of the free testing for brucellosis by the federal authorities. Surely, this is a federal health campaign and in any public health venture the federal government as well as provincial governments should carry a share of the responsibility. Work of this nature for the health of animals has always been under the jurisdiction of the federal government. I need hardly point out that we export cattle to almost every country in the world and that our cattle are considered to be of the highest quality wherever they are sold. I hope the Minister of Agriculture (Mr. Hays) will be able to give this matter his attention very shortly so that farmers can have their cattle tested free of charge.

May I call it six o'clock?

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

Mr. Rynard: Mr. Speaker, to recapitulate on brucellosis testing, about which I was speaking at the supper recess, this is in my opinion a public health measure designed originally to protect the people from developing the disease, and second, to keep cattle from developing it. Once they developed it breeding programs became severely hampered, and human beings who contracted the disease underwent a long period of illness and convalescence. The loss of young cattle was crippling financially to many farmers. The federal government carried on this testing successfully over the years. Now, at the fruition of this long campaign, it appears that they want to give it up; they want to drop it. I feel that as a health measure this is completely wrong, that the public health should be protected, and the health of animals branch should continue testing cattle, where possible employing local veterinarians which would cut down the cost of travel and expense. Canada has made great strides over the years in listed and certified cattle. Our cattle have been sold in many parts of the world and have always given a good account of themselves. As a matter of fact, Canada holds an enviable position in this particular field, a fact to which the Minister of Agriculture (Mr. Hays) will testify. I would hope that he will give this matter his very earliest reconsideration.

I should now like to turn to another matter and to mention briefly the link between cigarette smoking and cancer of the lung. I mentioned this matter some years ago in the house, and since that time mounting evidence has come to light to prove the existence of this link between cigarette smoking and cancer of the lung. The British College of Physicians and Surgeons came out flat-footed last year and stated that cigarette smoking and lung cancer are definitely linked. This year the Canadian Medical Association and the cancer committee of that association have started war on smoking and lung cancer. Surely our federal health department will wait no longer to inform our school children and adults of the dangers of smoking. It has already been stated in an excellent article, I believe by Mr. Burton of the Toronto *Star Weekly,* that cancer of the lung kills more people than any other single disease. It kills more people than all the traffic accidents and drownings occurring across Canada each year. And once you have contracted this disease your chances of cure are pretty slim indeed. The president of the Canadian Medical Association has stated that this disease has reached epidemic proportions. This suffering and wastage of human life must be stopped. Each day 500 of our young boys and girls in our schools across the land, it is said, commence smoking and many will be condemned to premature death and suffering unless something is done to stop this epidemic of lung cancer.

Mr. Speaker, this is one of the diseases to which we have the answer. It is one of the diseases which starts largely in our schools. To recapitulate, I believe the figure quoted in one of our papers was that 500 boys and girls across Canada start smoking each and every day of the school year. About 100,000 of those children will probably be condemned to death by this disease. Many authors are writing good articles about this disease. There was an excellent article in the *Star Weekly* and another in the *Consumers Digest* pointing out the risks and dangers entailed

when one commences to smoke. It is high time that the federal Department of National Health and Welfare joined hands with associations and groups to help bring to the people of Canada not only what is their right to know, but something that may save them from sickness, suffering and probable death.

In conclusion, Mr. Speaker, I should like to say that it is my sincere hope, and I know it is the hope of all Canadians, that the Prime Minister, at the end of his tenure of office, will be able to hand over the affairs of this country in as buoyant a condition as the Leader of the Opposition (Mr. Diefenbaker) handed them over to him.

(Translation):

Mr. Gerald Laniel (Beauharnois-Salaberry): Mr. Speaker, I am pleased to take this opportunity to congratulate you on your appointment and would beg you to convey my heartiest congratulations to the Speaker of the house for the honour bestowed upon him.

All members of the House of Commons are happy with the manner in which you have presided over the debates until now. Your sense of justice and integrity are in keeping with your high function and a credit to the constituency of Stormont.

I pay tribute also to the movers of the address in reply to the speech from the throne (Miss Jewett and Mr. Choquette), who discharged their duties with ease and spirit.

Mr. Speaker, I wanted to take part in this debate, because I too wished to express in this chamber the feelings of confidence I have had since the change of government. Moreover, those feelings are shared by all the Canadian people, who for many months had wanted to get out of this period of insecurity and indecision brought upon us by the Conservative regime.

There are two ways to examine the present situation and, consequently, the legislative program of the government, as outlined in the speech from the throne. We can enumerate the legislative measures mentioned, comment upon them and show to what extent they measure up to the expectations of the Canadian people, or we can compare the present situation with the one that prevailed at the opening of the twenty fifth parliament. I will adopt the latter procedure and go back to the 1962 election campaign when the party in power then was on the defensive, trying to justify itself and hoping for even half a victory, wishing to keep enough seats to form a government, even a minority government. They had to cling to power at all costs, forgetting that the people had the right to know about our economic situation and our relations with the rest of the world. I will not go over all the events but the facts prove that our leaders had failed to assume their responsibilities.

A second party which had been selling soap on television for two years, Social Credit, had certainly built up a clientele in part of the province of Quebec. During the election campaign, they kept on being as constructive and they hammered into the people's minds that they had nothing to lose, that they did not have to understand the Social Credit doctrine and, surprisingly enough, some people believed them. However, they forgot one thing. You cannot forever take a negative attitude and the last election proved it.

The "anti" this and "anti" that campaign lost a lot of speed since last April 8.

Mr. Speaker, it is fun to go to the circus but being part of one is another thing.

As for the New Democratic party, the grandson of the C.C.F. and the last offspring of the P.S.D., it remains as always conscious of its role as a watchdog. There are good men in that party but do they really believe that they will one day form the government of Canada?

As for our party, and here I am still referring to the election campaign of 1962, after a keen contest with the Conservatives, showing their mistakes and their irresolution, as compared to the program that we were offering them, the leader of the Liberal party demanded immediate action and requested a quick convening of the chambers.

We were defending parliament's rights to study urgent problems and we questioned some of the things done by government members.

All those people, Mr. Speaker, came to the opening of parliament on September 27, to listen to a speech from the throne that offered nothing new and a Prime Minister who was often arrogant. Before this Conservative intransigence, we, the Liberals, deemed it our duty to defend the people and we came to the conclusion that at that time the only weapon available to us was to overthrow that government which was considering only its own political interests.

The three other parties have accused us of engaging in petty politics, of refusing to give a chance to the Conservatives, who had not been able to accomplish, with more than 200 members—the strongest majority in the house since confederation—what they claimed

they could accomplish successfully with a minority government, but without even wanting to discuss matters with the opposition.

While the N.D.P. members were seeking to have their leader elected in a by-election and in a province that was not even his, the Social Credit members, saviours of the French Canadian race, were discovering that they had a nationalist mission, among all the contradictions and the endless sermons on a mock money system. They always tried to hold up to ridicule our institutions and our qualified authorities. All the speeches delivered by the member for Villeneuve (Mr. Caouette) during the last election campaign had already been given in the house during that short session. In fact, a journalist wrote in *La Presse* on January 30, 1963 and I quote:

> To have the Social Crediters in the house is too high a price to pay for what we are gaining in terms of bilingualism.

We, Liberals, might not have been in the headlines as often as those who were shouting; we have had perhaps a little more than our share of criticisms, but this does not mean that we have been inactive, on the contrary.

We had taken a decision in the face of the inefficiency of the Conservative government, and, during that period we were preparing ourselves to replace them. Our action was much more positive than certain people believed it was, and today the record shows that we have sought long term solutions to our problems. This can be seen from our program during the last election campaign and from the speech from the throne. It is all very well to be shocked by a unilingual menu at the cafeteria; it is still better to ask that Beauchesne be translated, if this is possible; but what can be gained by claiming Donald Gordon's head? Especially if the system is not changed, or if such an individual is replaced by his like.

Can we infer that a joint Liberal action, even if it is unnoticed, is worthless?

Some people have claimed that Social Credit is positive nationalism; it might seem that way to the Quebec voters, who elected 26 Crediters out of a total of 30. Yet is the speech delivered by the Prime Minister (Mr. Pearson) on biculturalism on December 17 not really positive action? And who could have brought about such a broad outlook among the leaders of the Liberal party but the team of our members, people who know how to dialogue, who are trying to understand each other and to act accordingly?

Mr. Speaker, I am proud to serve my country on such a team under the leadership of such a competent and understanding leader as the present Prime Minister. Besides, several Conservatives are envious of us or have been in the past.

We have all examined the speech from the throne in which we find promising legislation for the future. Let the Conservatives make fun of the 60 days of decision promised by our party. They cannot understand such a thing, it is new to them. They are amazed to realize that the best way to solve a problem is to face it without delay. This is what the Liberal party intends to do within the next four years. Moreover, the Prime Minister clearly stated on many occasions that those 60 days are the first 60 days of decision suggesting thereby that this is only the beginning. We can feel already an atmosphere of confidence, we treat our friends as such, we call things by their names, the word "unemployment" is spoken once again and we are not afraid to use it while seeking the means to check it, especially if we consider that the Leader of the Opposition has finally managed to take a definite stand on the matter of nuclear weapons.

We repeat in this house what we have preached during the election campaign and a part of it has even been mentioned in the speech from the throne. We are ready to assume our responsibilities although it is obvious that we have many problems to solve and that many questions will require much tact.

Mr. Speaker, I admit frankly that there is no magic way of solving the problem of biculturalism but this government has resolved to create an equal partnership between the English speaking and the French speaking people. In the speech he delivered on May 20 in this house, the Prime Minister has shown his firm intention regarding this question and has said that the Canadian entity would progress only through the co-ordinated efforts of each and every one of us.

> But you cannot have a bicultural country without having a country. So Quebec, to be Quebec, must be Quebec in Canada.

Such are the words spoken by the present Prime Minister.

As far as I am concerned, I am ready to negotiate and most Canadians feel the same. I am confident in Canada's future, I believe in the possibility of a truly bilingual country where citizens of both major racial groups would have equal opportunities without infringing upon the rights of other minorities.

Several members who spoke before me mentioned those minorities and I am glad about that but it should not be forgotten that those people are more easily integrated than people of French origin. That sets the problem in a slightly different light. The province of Quebec is the motherland of all French Canadians and the latter have never stopped fighting for their rights for the past two centuries. It is high time we became full-fledged Canadians.

Mr. Speaker, I take the liberty of calling to your attention the fact that there is in my riding of Beauharnois-Salaberry a crown corporation where the French fact is far from being recognized at the management level. More than 80 per cent of the employees are French speaking and yet, in all the many years it has been in operation, there has not been a single French speaking department head. Apparently, there has never been a French Canadian qualified enough, we are told, as Mr. Donald Gordon said last year about the C.N.R.

All the French Canadians ought to feel that they have equal opportunities because it is often difficult to prove that discrimination really exists. I, therefore, urge the royal commission to start its work as soon as possible before other elements make use of those matters as an excuse to do unfortunate things.

I have no more patience with the pig-headedness of certain French speaking Canadians than with their English speaking counterparts. We should all open our minds and seek a better mutual understanding. We, the people's representatives in the house, are duty bound to set an example, and foster brotherhood between our two ethnical groups. While we grope for solutions, let us encourage the spirit of fraternity in our ridings. We must be the ambassadors of a renewed Canadian confederation, where unity will breed strength.

Blame must fall on the promoters of hatred, and there is surely no better way to fight them than to put into practice the brotherhood called upon by the government in the speech from the throne, and in the speeches of Liberal leaders and members of parliament.

The legislative measures we advocate to strengthen our economy, should restore confidence among the Canadian people. The Canada development corporation will increase their opportunities for partnership, and thus give our people a clearer understanding of their responsibilities at the national level.

The people must feel closer to its leaders, and all the other legislation dealing in particular with the establishment of a department of industry, a municipal development and loan board, an economic council, a contributory pension scheme and the appointment of an eastern minister of agriculture must bring Canadians closer together.

We want to provide the Canadian people with the highest degree of social and economic security, and we wish also to assume our responsibilities at the international level. Besides, the Prime Minister has already asserted himself in these fields in the few weeks the government has been in office.

We must regain the admiration of the free countries and we shall do so openly and directly on behalf of those who have elected us as their representatives.

(Text):

Mr. Jack A. Irvine (London): Mr. Speaker, I should like to take this opportunity, first of all, to convey my congratulations to you upon your appointment to such a high and distinguished office. I should like also to congratulate the mover (Miss Jewett) and seconder (Mr. Choquette) of the address in reply to the speech from the throne, not only on the very excellent manner in which they have presented their submissions but for their sincerity of purpose.

I must say, Mr. Speaker, that as a new member I approach this opportunity with a great deal of timidity. I have the privilege, and I consider it a great privilege, of replacing in this house the Hon. Mr. Halpenny. The constituents of London have accorded me a real honour and have placed upon my shoulders a major responsibility.

I should like to say that the city of London has become a key manufacturing centre in the province of Ontario. We can boast at the present time of some 200 manufacturing establishments, most of which are enjoying a great period of expansion and prosperity, more particularly in the last six years. If one checks he will find that the percentage of unemployment in the city of London is amongst the lowest of any city in Canada. We hope, and we trust, that the new government will do all they can to see that this condition is not changed adversely. London has a population of approximately 175,000 people. It is the second largest city in the province of Ontario in total area. It has one of the finest universities in Canada, the University of Western Ontario. We have shopping facilities that are above average. The city can also boast of having a higher percentage of residents owning their own homes than any city of like size in the entire Dominion of Canada. The city

is surrounded by one of the finest agricultural areas in the country. You see, therefore, Mr. Speaker, the citizens of London feel they have a great deal at stake.

We have heard much here about unemployment. Sometimes the figures seem to be distorted to suit the purpose of the individual. There is an old saying that goes something like this: Figures don't lie but liars do figure. I was somewhat disappointed to find no mention was made in the speech from the throne of the unemployment insurance commission. It seems to me that this insurance program has too many loopholes and is being abused at the expense of the taxpayer. I know, as I am sure many others do, of people who work just long enough to reinstate themselves, then sit around until their credits expire, after which they go back to work again. This is an area in which I feel much can be done. It is my hope that as we pass through this much publicized period of 60 days of decision, something will be done regarding this expensive but necessary insurance scheme.

I was sorry also to note that no mention was made by our friends across the floor of an increase in old age pensions. I believe a promise was made, perhaps in a left-handed fashion, during the recent election campaign of an increase of approximately $10 per month. While I am in favour of this, I am also in favour of parliament taking a good look at the entire act. Many people who are the recipients of the old age pension at age 70 do not really need it. Imagine a man with a million dollars getting his $65 cheque every month. It is not inconceivable that we may be able to start this pension at age 65 for those in need. Many people have had to stop work at age 65, and have had no income until they reached age 70. While $65 or $75 per month is not much, the proverbial half loaf can, in many cases, be a godsend. Many people find themselves in these circumstances through no fault of their own.

As one with some experience in municipal affairs, Mr. Speaker, perhaps I might be forgiven a natural curiosity about three interrelated items contained in the throne speech. These are the proposed municipal loan fund, the national development or investment fund, what ever name it might be called, and the economic council for Canada. The throne speech merely made passing reference to each of these but, sir, they could constitute a bitter disappointment that would be tantamount to a national hoax or national betrayal.

As a new member I am given to understand that throne speeches are always couched in vague generalities. This being the case, the throne speech in these three particulars certainly adhered to tradition, but I wonder if this is wise in these three instances in the light of the new government's commitments. The government party campaigned on slogans, and chief among these was full employment. It was not maximum employment; it was not the most possible employment; it was full employment.

The economists have a variety of views as what constitutes a desirable level, a maximum level, and indeed the full level of employment. The present Minister of Finance is on record as to what he means by the best obtainable level. It does not quite gibe with the glossy propaganda pamphlets, with the national Liberal party resolutions, or with the Liberal party's campaign promises of full employment. The average Canadian thinks full employment means just that, that every Canadian ready, willing and able to work will be gainfully employed.

The throne speech says nothing whatever about full employment. In fact it hedges. It talks about the highest possible employment, which could mean anything at all, or it could mean nothing at all. This is not good enough for the leader of a party committed to accelerating the economy and to attaining full employment. It may be that having assumed office, and having accepted the responsibility for pushing the economy at a greater pace than it reached in 1962, the Prime Minister and the Minister of Finance have decided that hedging is the wiser, more discreet course.

As I said earlier, the three interrelated agencies proposed by the government could mean much or they could mean nothing. Let us start with the economic council. This could be the same economic agency as proposed by the Diefenbaker government, an advisory council working hand in hand with the national productivity council and with the government; an agency that would assess, propose and promote specific projects.

The economic council as proposed in the throne speech could, of course, be something else again. Depending upon the authority vested in it, it could be a new government bureaucracy that not only would recommend but would control, direct and indeed dictate. If this is what the government proposes then the Liberal ministry will have to reckon not only with the Conservative opposition but with the Canadian public, and with management and labour alike.

Labour and management must come into closer harmony, but I cannot bring myself to believe that either management or labour ever will agree that the Prime Minister, and the Minister of Finance, or any other combination of ministers here in Ottawa, either have the knowledge or the ability let alone the right to control business on the one hand, or on the other hand to direct and

order labour to accept specific jobs in specific communities and at specific rates of pay.

That is what a planned economy means in its extreme form and this is what the Liberal economic council may mean. No government can plan for full employment with any real hope of implementing that plan unless it has some power to order and direct. It might further be contended that even this ultimate form of state planning and state control cannot be wholly effective, for the simple reason that Canada cannot live in isolation; for the simple reason that this country, however the government might seek to direct its economy, will remain vulnerable to economic influences from beyond her own borders.

I am not alone in this thought. The financial community is disturbed by the vague generality of the information contained in the throne speech. Labour too is showing signs of concern. Just as no businessman is willing to abdicate in favour of management by bureaucracy, so it is that no worker in Canada with an investment in home and family life in any community is prepared to sell, to move and to start anew in another part of the country at the dictates of this or any other government.

The throne speech indicates that the government proposes to establish a national development fund. Here again the vague general statement of intention has caused concern in the business community and among financial institutions. For a government that made a campaign boast of restoring national stability, the administration appears to be doing its utmost to accomplish just exactly the reverse.

What is this development fund to be? Is it to be a gigantic government mutual fund, with its resources drawn from the major financial institutions and the small investor? Will this government sponsored agency divert investment funds, again by some form of compulsion? Or, if it offers inducements to big and small investors, then will it in fact compete with its own bond issues? Will it compete with provincial and municipal governments for investment capital? These are questions we would be well advised to ask ourselves and dwell on before we make a fatal step.

The third element in the government's economic program is that of calling for the establishment of a municipal loan fund. Municipalities naturally would welcome an ever ready, ever available source of low cost financing for local projects, and I would like to add here that I am sure the London council would be very pleased with something like that. I have had some experience with them on this subject.

[Mr. Irvine.]

I gather that the government has in mind a revolving fund of perhaps some $400 million, with a forgiveness clause applicable to municipalities that complete works within specific time limits. This at first glance might appear attractive. Indeed municipal governments have long advocated such a federal program. However it should be noticed that the proposed plan appears to be merely an extension of the present government's system of loans, but with the added feature of making a new board the central clearing house for all applications.

It will be interesting to see if the legislation confers any greater benefit upon the municipalities than does the winter works program of the previous government. This was a virtually all embracing program, and it should be remembered that under it municipalities derived a substantial benefit in the federal government's share of the labour costs involved. It remains to be seen if the municipalities will be happier with interest bearing loans than with the shared cost arrangement of the previous government.

Mr. Speaker, the government party's stolen slogan of "60 days of decision" has in fact provided a 60 day honeymoon for the new administration, but the honeymoon is just about over. The government must soon face the harsh realities of living with the inflated promises to which it was wedded in the zeal of an extravagant election campaign. How extravagant it was we already have had some intimation in the throne speech, with its forecast of a multiplicity of boards, funds and bureaucrats. Just how costly all this may be we will, I presume, learn in the budget next month.

The government is committed to effecting a closer balance between revenues and expenditures, and to moving towards a balanced budget.

The Prime Minister in his 1962 campaign promised a balanced budget within two years of assuming office. Presumably this means that the Minister of Finance (Mr. Gordon) will go half way in his 1963-64 budget toward striking the promised balance. With the current tempo of the economy he has a favourable tide flowing his way. The house will await the budget as a measure of not only government responsibility in office, but of Liberal responsibility when out of office.

Mr. Speaker, I submit that with the present composition of the House of Commons we are in a position where, if we get down to the task at hand, we should and could have good, sound administration. The members on the opposition side of the house will see to it that this happens. Over the period of the last six years we have enjoyed an economic growth

never before experienced in Canada in peacetime. We are turning the country over to the new government in an extremely sound condition, and I would say that now is the time for us, whether we sit on the east or the west side of the chamber, to put nation first and party second. Let us get together in a spirit of progress and co-operation and get on with the business of running the country.

(Translation):

Mr. Gerard Perron (Beauce): Mr. Speaker, in accordance with custom and tradition, I must first offer my congratulations to the Speaker, the Deputy Speaker and also to the mover and seconder of the address in reply to the speech from the throne (Miss Jewett and Mr. Choquette), who have performed their duties so well.

We are undertaking here a task which is most serious. From the start this first session of the twenty sixth parliament has new horizons to contemplate concerning our country's economy.

During the last election campaign, a great many projects were brought up for the benefit of Canadians from coast to coast.

The fact that the responsibility for administering the affairs of the state has been handed over to those who were so pessimistic, as we found out during the previous session, which lasted but 71 days and ended last February, seems to have stimulated them so much that they have become as optimistic as it is possible to be.

Canada's future and the future of Canadians must be considered from an angle which is sufficiently idealistic, even if the speech from the throne is rather vague with regard to the announcements and matters we will have to discuss during this brief session, to give us great hopes for Canada and all our fellow citizens from sea to sea.

Evidently, some things may be more pressing than others. I realize that, following an election, which, like the last one we had, consisted in a rapid attack, where all sorts of arrows were aimed against us in Quebec, who had to take more than we could absorb, we might tend to retaliate. I shall not waste my time pointing out all those barbed and pointed attacks against us. However, let me mention a few allusions made by the hon. member for Beauharnois-Salaberry (Mr. Laniel), who, a few moments ago, mentioned the "funny free money" of the Social Crediters.

I think, Mr. Speaker, that it has been more or less seriously tried to cast discredit upon what the Social Credit party has been advocating throughout the country for many years, i.e. the essential need to revise this country's Bank Act so that money might become an instrument of service in the hands of the shareholders, that is our society as a whole. I submit that nobody in this house has the right to try casting a slight upon us by speaking of "free money", when it is known that, among the many economists who, today, are sitting on the government benches nobody has yet been able to find a formula for reviving our economy. I hope we will be submitted other things than magic formulas, to amuse Canadians in general, and the whole country from coast to coast—formulas which are nothing but a waste of time—to solve this country's problems, which are great and many.

As the member for Beauce, which I have again the privilege of representing in this house, I can speak on behalf of French Canadians, and more particularly those of my own province. I also speak on my own behalf. I do not want to commit the group to which I belong, but I believe that, after the unfortunate events which recently took place in my province, it is high time that we consider, from all possible angles, the various problems which our Canadian society will have to face.

Speaking as a patriotic Canadian, I wish to be well understood by all, tonight.

It is all very well during an election campaign, to try to discredit an opponent, but the day has come now, I feel, to assume our responsibilities as right-minded Canadians and look seriously to the future of our country.

Much has been said about the state of Quebec. There has been much talk about it. In some Quebec circles, people have talked about the magic formula of Social Credit.

But will economists, at least those who are now among the fighting wing of the government party, be able to find something besides the formulas of indebtedness which we have known.

The speech from the throne mentions the setting up of a municipal development board. Will this be done according to the concept of conventional economists, that is by borrowing at 5 per cent to lend to municipalities at 1 per cent? That would only displace the uneasiness, since they should tax indirectly to pay the heavy burden of interest that we already have to repay on the huge amount of indebtedness we have all over Canada: federal, provincial, municipal and school debts.

As a Quebecer, I know something of the problems of our beautiful province. The indebtedness has no end. The critical economic

situation in which they struggle at all levels of administration of public affairs is unimaginable.

As far as our school boards are concerned, the parent commission in the province of Quebec claims that an amount between $4 and $5 million should be used in the next few years to prepare plans enabling us to develop the talents of our people in the intellectual field as well as in the technical and scientific fields.

We have also been talking of steel mills for over ten or 15 years in the province of Quebec. What is preventing the establishment of those secondary industries which would convert our own raw material on our own soil and put to work a great part of our manpower and, consequently, would help to curb the unemployment evil which exists at the present time.

Mr. Speaker, this beautiful province of Quebec, for the past three or four years, had held the unemployment record. In January only, there were 200,000 unemployed in the beautiful province of Quebec, while at the same time many hundreds of persons could not keep their arms busy throughout the country. It was impossible to build factories on our own soil in order to bring wealth to the whole Canadian community, yet, during that time, under the cover of social security, what was happening? One hundred and thirty two million dollars were being spent on social welfare, while numerous inquiries were being made to try, not to find means to end dire poverty, but rather to deprive thousands of people from the benefits of legislation which could have afforded them the opportunity of providing their families with the bread and butter they lacked.

What is offered to us? A municipal development and loan board, and an area development agency. All these boards exist already at the provincial level and we have many of them. A corporation to finance the tremendous works which must be undertaken in the province of Quebec has also been established as we did here last year when we considered the Atlantic development board, discussing the matter for days.

What prevents the carrying out of all these things, even if it has been said that it will require lots of imagination to get the economy moving again?

I believe that we have in our province as well as in the other provinces, businessmen who think big and who have enough imagination to assess the needs of the people and our own processing and manufacturing capabilities according to our people's wishes and needs.

Is there today in the country a shortage of the basic things needed by the consumer? I am not talking about food and clothing. Of course I do not mention housing because I feel that it is time to find solutions to take out of the slums of Montreal, Quebec city and other cities in Canada, large families who must live there.

How many families worry about tomorrow, not because there is a shortage of goods but rather because the consumer does not have the means to buy what we could produce.

How many things could we produce ourselves to meet the demand if the consumers could pay for what they need?

Chambers of commerce, study groups and all kinds of commissions try to find solutions to those economic problems and a policy that would create new jobs. But, in the meantime, while talking about industrialization, we do nothing for some people who are underfed because they are unable to find work in their own country.

This state of affairs exists in my own constituency because we do not have the possibility of establishing secondary plants that could employ most of the manpower in Beauce. In that riding which has been in existence for 250 years, these North American pioneers even had to go into exile in other provinces and even out of Canada to find work.

Last fall some people talked here—and we will hear it again—of the protection we must give our workers who must go and earn their living in the state of Maine, south of the border. Why is it not possible to use some imagination and get the economy moving again inasmuch as money will not interfere with the plans of our administrators, at the municipal or school board level as well as at the provincial level?

It is all very well to laugh at the Social Crediters' "free money", but I think that the people are rather entitled to laugh at the lack of serious solutions by our economists to the many problems which at present face our society. It is not easy to find formulas to solve these problems. It is not by blaming formulas that problems can be solved.

The state of Quebec is on the march. We do not ask for more than our fair share but we want French Canadians to feel at home within the Canadian confederation so that they may march forward as equal partners in this twentieth century.

As a great leader of the Liberal party once said, the twentieth century belongs to Canada. If we want that to become a reality, Mr. Speaker, our own financial institutions will have to start working in the interest of the Canadian people instead of against them as they always did in the past.

At present, the processing of our raw materials is done outside of Canada, thus giving work to foreigners, after which the finished product is sold back to us at a profit. During the election campaign, the Liberal candidates often quoted from page 11 of their official propaganda booklet which reads as follows:

A new Liberal government will fully ensure that the money supply is adequate and that business is not crippled through a lack of credit.

What then is preventing our province from undertaking without delay, like the other nine Canadian provinces, a great number of projects, since plans have already been made at the provincial or municipal level to develop our economy?

What is preventing the carrying out of these many projects, if not the lack of funds or credit facilities available to those organizations willing to undertake those projects in order to give a new start to the Canadian economy?

The speech from the throne also mentions the matter of biculturalism and great emphasis was placed on the subject during the election campaign. The matter has been entrusted to the worthy representative for Outremont-St. Jean (Mr. Lamontagne) who will set up the commission appointed to look fully into the matter.

I wonder if the people of Quebec will have confidence in that commission when they realize who is responsible for it? After reading his works, one finds that provincial governments become branches of the central power, and such a stand is taken on the authority of the Rowell-Sirois report, which is perhaps the most centralizing of all royal inquiries.

Following that commission's report, centralization was put into effect by the Liberals who held office at the time and who, between 1940 and 1945, took away bit by bit, piece by piece, from the province of Quebec, the resources which would have enabled her to assume her responsibilities in the field of social security.

Unfortunately, we still meet Canadians who claim that it is the French Canadians' fault if they do not hold in confederation the place they should but that they had to relinquish in certain fields. Why? What prevented the provinces from availing themselves of the advantages offered in the field of social security, if not the financial impossibility of meeting objectives which the twentieth century has set throughout the world?

So, as a French Canadian from Quebec, I sincerely hope that the commission on biculturalism will be something more than a toy good for a couple of years, that is until we celebrate the confederation centennial in 1967, at the time the world fair is to be held in the province of Quebec.

As the hon. member for Drummond-Arthabaska (Mr. Pepin) was saying, I do hope that this will not be another opportunity to have us miss the boat. We would not want to miss the boat once again. We are now in full "evolution" and, please note, I do not say "revolution". We want Quebec to have its share in confederation. We wish to have our say, economically and politically, on a national basis and even on a world wide basis. We want a Canada where we shall be able to live in accordance with the legitimate aspirations of human beings who lack security but still hold the greatest respect for freedom.

Security and freedom are exemplary things to be carried very high today, because, under the cover of freedom and security, whole nations have been crushed under the boots of dictators. The economic dictatorship to which we are subjected at the present time may not be for our fellow Canadians as crushing as the political dictatorship some peoples have had to live under. While, in the name of authority, dictators have reduced peoples to slavery, I do not believe that we have the right, in the name of freedom, to allow democracy to take advantage of the masses, as it happens in this Canada of ours.

Many family heads, farmers and factory workers, citizens from large cities and small towns, had put their confidence in the future of our country. How many businessmen now

realize that everything is not running smoothly in their country?

Let us talk now about contradictions. The speech from the throne mentions the appointment of a second minister of agriculture, a French Canadian representing the Atlantic provinces and better acquainted with the problems of the eastern farmers, and at the same time the present Minister of Agriculture announces the abolition of the milk subsidy. I wonder, Mr. Speaker, if this is a policy likely to give new confidence to the French Canadian people of Quebec and I wonder if our Canadian confederation does not still operate to our disadvantage because I represent a group of people composed of large French Canadian families who had to leave home and go here and there, due to the lack of job opportunities in their native place, in their own county.

We have had imaginative people who succeeded in building firms with a national and international reputation. I could give as an example the "Vachon" cakes from Ste. Marie de Beauce. There are still in Canada businessmen with imagination in our twentieth century. If only loans were made available to them through an industrial financing bank. At the present time we have an industrial development bank which refuses to grant 75 per cent of the loans requested. If money were more readily available, if it were within the reach of these businessmen, we would see the industrial situation change in our country and there would be created additional jobs. I wish the province of Quebec would nc longer hold this notorious unemployment record in Canada.

During the last election campaign, and generally, much has been said about the fact that the province of Quebec has delivered an ultimatum. And it is still being repeated. According to that ultimatum, there are only ten months left to give back to the province of Quebec part of its tax rights, that is 25 per cent of individual income tax, 25 per cent of corporate income tax and 100 per cent of the estate tax. How many of us have realized that two months have already gone by since that 12-month ultimatum was given? It seems that some would like to forget it.

It was said during the last election campaign that our magic formulas had no value at all. Maybe they prefer to keep bowing tc the financiers in this country, those who control money and finance everywhere, under the banking system we have in Canada. Canadians are being paralysed and prevented from making this country a place where people would smile more often instead of being concerned about the future.

We have witnessed a radical change in the speeches made in the house. Last year, the Liberal party took pleasure in blaming the Conservative party in a most pessimistic way, sometimes to the point of preventing businessmen from being confident about our industries, because they feared the financial future of the country. This same party is now most optimistic. Is this the justification of what we had been advocating for several years already? Are the good parties good only when they sit on the opposition benches?

Mr. Speaker, I hope we will find out the worth of some who, today, assume administrative responsibilities in the affairs of Canada. The party in power must stop acting like the hon. member for Beauharnois-Salaberry (Mr. Laniel) who tried to hold us up to ridicule. He should not forget that as the representative of a riding in a minority government, he must also, like myself, represent the interests of all Canadians, and it is with the sincerity of a politician that we must strive toward that objective, and not by running down the splinter parties or by predicting that there is no future for them.

Social Credit has contributed its own pinpricks. Today, in Quebec, things are moving since June 18, even though nobody will give us the credit of having awakened the nationalist feelings of French Canada.

I do not feel obliged to say that it is not only by insisting on a bilingual menu in the cafeteria that we will reach our objective, because we have seen behind that something besides bilingualism. We have seen something else there and, moreover, the hon. member for Laurier (Mr. Chevrier) said himself, a few months before the election campaign, that the French Canadians in Quebec will no longer be satisfied with bilingual cheques. We have also seen something besides bilingualism. We have seen two great nations, the very foundation of that confederation, which want to go forward together. It has been repeated that the best thing was to make Canada from coast to coast a country where it is good to live, a country able to give security and freedom to each and every one of its citizens.

We do not call for magic formulas which would free us from economic servitude but we ask that a sound monetary system based on mathematical data be set up to bring about a constant balance between production and

consumption, under which money would not stand in the way of those who can make our country richer and more productive and who want to show the whole world that people of various nationalities can live together in a country where bilingualism is recognized by the constitution itself.

Mr. Speaker, my opinion concerning the French fact may be different from that of your predecessor who feels that French Canadians should be on the same footing as newly arrived Canadians in this country. In my opinion, there is quite a difference between one's right to be educated in one's mother tongue and to speak it and the right of equal partnership in this fine and great country of America which is recognized by the constitution.

That is why, on behalf of all Canadians, I would ask those who are entrusted with the government of our country to provide, not the magic formulas they claimed to have, but at least down to earth solutions. The numerous economists who are members of the government should find means to restore the confidence of the people in a political climate where we could rightly expect the fulfilment of the predictions that the twentieth century would belong to Canada.

(Text):

Mr. Fred T. Armstrong (Shelburne-Yarmouth-Clare): Mr. Speaker, may I in this my maiden speech in this house join with other hon. members in congratulating you on your election to your very high office, a position which I know you are very worthy of holding. I should also like to congratulate the Deputy Speaker, who is also chairman of committees, and to join with other hon. members who spoke earlier in complimenting the mover and the seconder of the address in reply to the speech from the throne. These speeches were two of the finest I have heard this session.

My riding of Shelburne-Yarmouth-Clare is one of the finest in Canada and is in the finest province, Nova Scotia. This riding consists of three provincial ridings: Shelburne, being a single riding; Yarmouth, a dual riding; and Clare, a single riding. Shelburne county is nearly 100 per cent English speaking. Yarmouth is about 50 per cent French speaking and 50 per cent English speaking and Clare is about 100 per cent French speaking. Most of the people of Shelburne county are fishermen, depending for their livelihood mainly on the sea. The town of Lockeport, which is part of Shelburne county, has three fishing plants employing approximately 350 people, both men and women, as fish cutters, packers, and so forth. The fish are brought in by draggers and long-liners, and people from the surrounding area are employed there. In the town of Shelburne the same thing applies as in Lockeport, but the fishing plants are not as large. Another industry in Shelburne is the manufacture of office and school furniture from moulded plywood by Ven-Rez Products Company. Shelburne is also noted for its fine granite stone from which is manufactured in the town tombstones and granite stone sidings for buildings.

The people in the remaining area of Shelburne county are engaged in fishing or in fish plants, with the exception of the areas of Clyde river, Upper Clyde and Ohio, where they are engaged for the most part in lumbering. There are also boat shops in the Shelburne, Shag Harbour and Woods Harbour areas, where they build Cape island lobster boats, which are sold both locally and in the United States.

(Translation):

The people of Clare county depend a great deal on fishing, some on farming, lumbering and boat construction for their livelihood, but families in that part of my riding derive most of their income from fishing. There are several small businesses that build boats from 35 to 50 feet long, many of which are exported to the United States. There are also two large shipyards, each employing about a hundred workers. Those shipyards build boats up to 125 feet long, which are mostly used for scallop fishing and other types of deep sea fishing. Those businesses were set up during the war by the numerous French speaking Acadians who live in that part of my county.

Allow me to say, Mr. Speaker, that the French speaking people of Yarmouth and Clare counties expect to enjoy one day television programs on the French network of the C.B.C. Since you all know the story of the Acadian people, I need not repeat it tonight. You can appreciate as well as I do the importance of French culture and French language media to my Acadian constituents. I read in the papers recently that the C.B.C. was planning to build shortly a satellite station at Cheticamp, in Cape Breton, and in

the Magdalen islands. I am not familiar with technical problems, but I expect that it would probably be just as easy to build a rebroadcasting station at Digby Neck in order to comply with the rightful demands of our French speaking population.

I trust that my colleagues from the province of Quebec will use their influence with the departmental authorities to help me obtain this satellite station.

There is also in my county the St. Anne college at Pointe de l'Eglise. This college is well known to all Acadians and it has surely helped them to preserve and develop their French culture. The Reverend Eudist Fathers direct the college which is attended by over 300 students. Two months ago, works at a cost of $300,000 were undertaken to receive an additional 150 students. As you see, my French Canadian constituents are active and the French people of my riding are trying to develop with all modern means available.

(Text):

The people of Yarmouth county also depend a lot on fishing, some lumbering and farming. The chief industry we have in the town of Yarmouth is the manufacturing of cotton duck by Cosmos Imperial Mills Limited, who employ approximately 400 people. The other industry is the manufacturing of sweaters and tartan plaids by Thistle Knitwear Company Limited. Then there is in the town of Yarmouth the Yarmouth Ice Cream and Dairy Company Limited, large milk suppliers and manufacturers of butter, cheese, ice cream and various frozen foods.

The communities of Wedgeport and West Pubnico are large fishing areas with their own fish plants. Boats 35 to 50 feet long for lobster fishing and pleasure are also built there and sold in the United States. We also have in West Pubnico a firm engaged in the manufacturing of school buses. In these two areas almost all the people are French speaking.

We also have our problems in Yarmouth. One is the television supplied by the satellite station bringing in a channel from Halifax. Our people are pleased to have this service but are dissatisfied with its extent and have asked me to try to obtain another channel.

Another problem is our local airport which is becoming outdated and not large enough for the planes that are now being used. We were told before the election of 1962 that $1,600,000 was set aside for an extension to the airport, but since that time nothing has been said or done about it. This apparently is another project affected by the austerity program. If the existing airport in Yarmouth is not enlarged and improved it will mean we will have a feeder service from Halifax or Saint John, New Brunswick, possibly two or three times a week, resulting in the worst setback western Nova Scotia has ever had.

For instance, the lobster buyers are working up trade with other countries to ship live lobsters or fresh lobster meat to other parts of Canada and to all parts of the United States. Our tourist trade will also be greatly affected if the project is not carried out. I believe that after this government has looked into the matter something will be done to improve the situation.

We also have the motor vessel *Bluenose* plying from Yarmouth, Nova Scotia, to Bar Harbor, Maine, making a round trip daily during the summer months and the tourist season. This service began in 1956. We are all delighted to have the *Bluenose* plying between these two ports, but hotel and motel operators as well as the merchants in Yarmouth believe that the vessel, being Canadian owned and operated by Canadian National Railways with a Canadian crew, should lay over at night at Yarmouth and not at Bar Harbor, Maine. If she did this, tourists would then be in our town during the late afternoon for shopping and would patronize our hotels and motels in Yarmouth overnight. I also intend to bring this matter to the attention of the government.

As I said earlier, Mr. Speaker, my riding is essentially a district of primary industries. With regard to the primary industries of fishing and the gathering of Irish moss, in going around the area I find that the requirements for these have been neglected in the past three years. More and improved facilities are needed because each year more boats are being built and more people are entering the fishing. In most cases throughout the area the wharves and breakwaters, which were barely adequate 10 years ago, have not been improved or enlarged, making the facilities completely inadequate for the increased number of boats being used each year. Our fishermen do not want handouts but are seeking decent facilities to protect their boats and equipment.

It is gratifying to know, Mr. Speaker, that our Prime Minister, who has been in office such a short time, has already visited the Prime Minister of the United Kingdom and the President of the United States of America, and has had friendly and constructive discussions with them. In my opinion there is no better way to live and prosper than to be friendly with one's neighbours.

I am pleased to see included in the throne speech the item to reduce barriers limiting trade. This is a step in the right direction, especially with regard to trade with the

United States, as our people in Shelburne-Yarmouth-Clare are almost totally dependant on the United States for markets for their fish, Irish moss and other products.

The establishment of a 12-mile limit is something that has been talked about for years but nothing has ever been done. I am pleased to see that the present government is endeavouring to implement this undertaking which, if brought into being, will be so beneficial to our Canadian fishermen.

The people of Canada, I am sure, will be pleased with the establishment of a comprehensive contributory pension plan, and I do expect the government to increase as soon as possible existing old age pensions and old age assistance payments as well as pensions for the blind and disabled to $75 a month, and also to extend the provisions to single women and widows at the age of 60.

In conclusion, Mr. Speaker, may I say that I am proud to be a member of this house and to be associated with such a fine group of people from all parties. I should like to congratulate the Prime Minister upon having selected a very capable group of cabinet ministers. My aim now is to endeavour to do the job the voters of Shelburne-Yarmouth-Clare expect me to do.

Mr. Joseph Slogan (Springfield): Mr. Speaker, first of all I should like to add my congratulations to the many you have already received upon your election to the high position of presiding over the debates of this house. I am sure that you will continue to enjoy the confidence of the members on all sides of the house for many years to come. I should like also to extend my congratulations to the mover (Miss Jewett) and the seconder (Mr. Choquette) of the address in reply to the speech from the throne.

I should like to extend my congratulations to all those members who have been returned to this parliament. It is said that the battle of opinions is the true dialogue of democracy. We are all believers in democracy in this house. I think all of us form friendships with members of all parties. It is one of the great pleasures of being re-elected to renew those friendships.

For a moment, I should like to make some observations about the composition of this house. I have been very amused during the last few days to watch the Liberal backbenchers and see member after member in the back row get up and make his maiden speech. I think this is a very fine thing. Indeed, this privilege is not easily won, because in the last parliament one of the members sitting in the back benches complained very bitterly over the fact that a small group of frontbenchers prevented him from speaking, asked that speeches be censored, and so forth. I sometimes wonder how altruistic this freedom of the backbenchers in the Liberal party is. I have waited to hear some of the members on the front benches speak. I thought that after all of this talk about action and decision, one by one the ministers would get up and say: This is the policy of action for Canada. They have been very mute indeed. It seems to me that they are merely using the backbenchers to hide their own lack of policy. In fact, their policy seems ephemeral indeed, because it seems to dissolve day by day as the 60-day period dissolves.

I should like to make a brief comment on the composition of the cabinet. A few days ago I was in Toronto attending the Canadian Dental Association convention. During that time I took the opportunity of visiting some of my friends who belong to different ethnic groups. I must say that these days they all seem to be Liberals. They expressed very keen disappointment in this government because the very able member for Parkdale (Mr. Haidasz) who, on the basis of seniority should have been appointed to the cabinet, had been overlooked. I believe the Prime Minister was asked to put him in the cabinet. He would have made a very wonderful minister of health, but instead of that the Prime Minister relegated him to the position of caddy to the Minister of National Health and Welfare (Miss LaMarsh). There are other fine members on the other side of the house. There is the hon. member for Fort William (Mr. Badanai) and the hon. member for Hamilton West (Mr. Macaluso). These are members who represent that third force in Canadian life about which the other side of the house has been so mute. I refer to the one quarter of the Canadian people who are not of Anglo-Saxon or French descent. For 22 years, the Liberals ignored them. The very able member for Vegreville sat here for eight years but received no recognition at all.

How different it was when the Conservative party came to power. The former minister of labour was appointed immediately, and he was one of the finest ministers of labour this country has ever had. We now have an Indian senator and there are two Ukrainian senators, one representing each faith. We are all waiting to see what this government is going to do about this third force to which they pay such great lip service. The present Secretary of State for External Affairs (Mr. Martin) and the Prime Minister (Mr. Pearson) were so loudly indignant. They said the Conservatives always talked about this third force in Canadian life. They said they were the ones who really represented these people. Well, these people are waiting. I am sorry that I have to be the one to speak for those who are

in Toronto, but obviously the present members from Toronto are not looking after them.

In any event, Mr. Speaker, I am sure that the Liberal frontbenchers will pay a great deal of attention to the backbenchers and also the opposition, because they ought to do so. You know, the backbenchers are an indispensible lot these days and their price comes rather high as the Liberals have found out. They are not easily bought. It is a fact that the opposition represents the opinions of 57 per cent of the people of Canada. The government, therefore, should pay more attention to the opposition than to their own policies, policies that were rejected by the majority of the Canadian people, as were the majority of the Liberal candidates.

I do not want to be so negative all the time. I want to tell you a little bit about that great Conservative party and the policies that party has followed. These policies have, all too often, been misunderstood by our friends and misrepresented by those who are opposed to us. The Conservative party was born long before Canada. In 1854 a young lawyer by the name of John A. Macdonald united a group of progressive young men behind his dynamic leadership. This was a group of men with differing views but a common purpose. That purpose was to unite the existing colonies which were disorganized and were being threatened externally. He set about bringing confederation into effect and creating the nation of Canada. Thirteen years later that nation was created, largely on the initiative of the Conservative party. Sir John A. Macdonald, the first prime minister of Canada, did not rest then. He had another vision, a vision of extending and uniting this Canada from sea to sea. In order to accomplish this, the building of the Canadian Pacific Railway was undertaken.

This was the greatest single feat in Canadian history. It dwarfs the St. Lawrence seaway. Almost 100 years later we are just opening the trans-Canada highway. The defeatist Grit opposition of the day said we were building railways from tepee to tepee. I have just introduced this little bit of history in order to show that the policy of the Conservative party has always been a Canada first policy, a policy of national purpose and national unity.

I am not going to give you a history lesson tonight, but I should like to refer to 1957. After 22 years of Liberal government, confederation was beginning to split at the seams. The leader of the Conservative party said to the people of Canada: This party wants to provide equality of opportunity for all parts of the country, to all segments of the people and to all segments of the economy. He said that there were certain parts of the country which had fallen behind and he named those parts. He referred to the maritimes, the west and the north. He said that there were certain segments of the people who had fallen behind, and he named them. These were the people on fixed income. They were falling behind because the cost of living index was going up at a rate of 3.7 per cent per year over the last 10 years of the Liberal regime, and their meagre pensions were being eaten up. These were the old age pensioners, the blind, the disabled, the veterans, the Indian population and so forth. He said there were certain segments of the economy falling behind, and he mentioned small business and agriculture.

Then we said what we would do about it, and when we were elected in 1957 we started to do something about it. We immediately raised old age pensions by a further $9 a month. Mr. Speaker, you have heard about the six buck boys. It might be interesting for hon. members on the other side of the house to realize that the Liberal government was defeated on June 10 of that year, and the increase of $6 did not come into effect until July 1, so that we paid for that six bucks, and immediately afterwards increased old age pensions by a further $9 a month, and later still by a further $10 a month. This has meant well over $1 million in the pockets of old age pensioners in my riding alone annually.

Old age assistance, together with the blind, disabled and veterans pensions were also raised, and we did something for the Indian people. We appointed an Indian senator and we gave the Indians the vote. They had the vote in eastern Canada at one time, but in 1898 the Liberal government took it away from them.

We improved their housing, and if one doubts what I am saying all he has to do is go through any Indian reserve in my riding where there are 3,500 Indians, to see the improvements in education, in new schools, new houses, new roads being built, and in the new self-help projects such as pulpwood cooperatives. We adopted a progressive attitude towards these people who had fallen behind. We have heard a lot about the Glassco report and integration of Indian schools and hospitals. This is already taking place in my riding. These are some of the things I just want to mention in passing.

Then we dealt with the segments of the economy which had fallen behind. This included small business, and for the first time the government introduced small business loans, to help small businessmen get loans of up to $25,000 to improve their premises and assist them compete in modern society.

With regard to agriculture we displayed the same basic approach to it as we brought

to bear on all the problems of Canada. What are the problems in agriculture? Mr. Speaker, you know what they are. The unpredictability of the weather is one of them, and so we broadened the eligibility for P.F.A.A. and increased the payments. We brought in crop insurance. To cope with the problem of surpluses we introduced the accelerated sales program. There was a shortage of credit, and so we scrapped the old farm loan board and set up the Farm Credit Corporation. Under the old board an average of $4 million a year was lent to farmers during the Liberal regime, but under the Farm Credit Corporation loans to farmers last year alone amounted to $90 million more. These are the kind of things we did to extend credit to farmers; yet the Liberal party says it is going to extend credit to farmers.

There was instability of prices and to deal with that we brought in the Prices Stabilization Act. We also introduced ARDA. I could tell you the story of wheat—the greatest story ever told. When we signed the Chinese wheat agreement the then hon. member for Assiniboia said "This is not a deal because there is no fixed price." Do hon. members not remember the British wheat deal signed by the Liberal government, which robbed western farmers of $600 million? Well, we were not going to make that mistake; we did not want a fixed price.

The price of wheat was $1.67 a bushel when the Chinese agreement was signed. Afterwards it went up to over $2 a bushel, and that meant millions of dollars more in the pockets of the western farmers without costing the taxpayers a cent. When the farmers marched on Ottawa they asked for a subsidy of 30 cents a bushel. In the end result they got more and it did not cost the taxpayers a cent.

Liberal spokesmen have talked about a minimum price of $2 a bushel. Mr. Argue, when he came into Springfield, went one better. He said $3 a bushel for wheat under the two price system for the first 300 bushels, and a guaranteed minimum of $2 a bushel for the rest. Mr. Speaker, I am all for that, and I am just waiting for it to be implemented.

During the election campaign the Prime Minister promised free milk for school children. We have a big milk surplus and so he said they would give free milk to all the children in schools. We are still waiting for that. All sorts of promises were made to agriculture. One of the promises was a higher initial payment on oats and barley to be announced before seeding time. Well, seeding time is here but the announcement is not. It just goes to show this government is not a government of decision or action. It is a government of inaction and a government that is trying to forget its promises.

I am not going to talk much about agriculture because many able agricultural spokesmen have spoken before me, but it is a sad story indeed that we have to have two ministers of agriculture. In fact the one minister we have has nothing to do now because he is going to auction sales. The government has not enough activity to keep one minister occupied. The farmers of western and eastern Canada are not looking forward to the fragmentation of the national policies for agriculture brought in by the previous government.

We said that certain parts of the country had fallen behind and we would do something about them. I am not going to talk about the maritimes as they have many able representatives to speak on their behalf, but I am going to say something about what is going on in my own province of Manitoba. There was the south Saskatchewan dam, promised for years and years by the Liberals, but it took a Conservative government to bring it into being. The Columbia river project would be under way if it were not for one provincial government that cannot make up its mind.

What about Manitoba? I see the hon. member for Bonavista-Twillingate (Mr. Pickersgill) smiling. For a long time I felt he was the spokesman for Manitoba, and it was a sorry day indeed when this government came to power. I expected as a good Manitoban with great ability, that the Prime Minister would instantly recognize this man and place the hon. member for Bonavista-Twillingate in the seat immediately beside him. This, Mr. Speaker, was the man picked to be prime minister once before. It is a sorry thing that a man of such great ability was put in such position as house leader and Secretary of State. I feel I must speak up for him because he is much more deserving of a higher position than that which he received.

In Manitoba we have the Winnipeg floodway. We have an associated system of dams and water conservation projects, and the biggest thing to come to Manitoba has been the Whiteshell nuclear research establishment in my own constituency of Springfield. What does that mean to us? I first entered politics as a young student in 1953 because of the fact that 90 per cent of the young people were leaving Springfield on account of lack of opportunities. What is Springfield today? It has been described as the jewel in the crown of Manitoba, and one of the greatest projects in it has been this Whiteshell nuclear research establishment. It was brought there under the

national development policy of the Conservative government to stimulate those parts of the country that were falling behind. I hope all hon. members of the house will have the opportunity of coming to see it.

There are some 600 men working there at present, and in a few months there will be some 500 people living in the new townsite there. Well over $20 million has been spent, and I think eventually the expenditure will probably be well over $200 million. What does it mean? It is not just the construction jobs that it provides for the people from Manitoba and elsewhere, but it is the jobs it is going to provide for the brilliant young men in universities in the research program for the peaceful uses of atomic energy. These young people who at one time had to leave the province and the country to seek opportunities elsewhere can now find opportunities on their own doorstep.

During the last election campaign the Liberal party in Manitoba had a television or telethon program, or something like that, where you 'phoned in questions. One of my constituents 'phoned in a question and received a letter from the Liberal party of Manitoba in which they said:

> The Whiteshell nuclear project has not been nor ever will be a campaign issue. The Liberal party has in the past, and will continue to support the establishment of all such similar projects for the province of Manitoba.

I was interested to listen to the hon. member for Winnipeg South (Mrs. Konantz) when she said that she and the Minister of Veterans Affairs (Mr. Teillet) are going to do such great things for Manitoba. Well, my hon. friends, where were they when the present Prime Minister, who claims to have such a broad national outlook, was trying to take this project away from Manitoba and put it into his own riding? The Minister of Veterans Affairs sat mute in the Manitoba legislature. Where is he now? The only thing he has done for the west is fire one of the most capable men on the veterans' pension commission. If that is the greatest contribution he is going to make to western Canada he may as well pack his bags and move to Ottawa, because surely this is not why the people of Manitoba elected him.

The Liberals paid great lip service to this nuclear project. Let us look at the headlines of just a little while ago. Here is a headline of the Beauséjour *Beaver* of February 3, 1960, "Pearson for moving nuclear centre". Then we see this headline, "Liberals increase pressure against research centre". This is the kind of pressure that was brought to bear by the Liberal party in trying to take this project away from Manitoba and put it in the Prime Minister's own riding. There were marches on Ottawa. Do hon. members remember the march of the women from Elliot Lake? They said there were 500 of them. I counted them; there were only 150. They did everything they could, and the present Prime Minister was the leader in the fight to take this project out of Manitoba and put it in his own riding. Is that a viewpoint for a national leader to take? Is this the national viewpoint of the Liberal party? If it is, it is little wonder that they received the verdict they did from western Canada. That is exactly the verdict they will continue to receive.

I talked about the north. We had that vision of the north. Do hon. members know what the present Prime Minister, that great leader with national vision, said? He said, when we brought in our roads to resources program, "You are building roads from igloo to igloo." Does not that harp back to the days when we were trying to build Canada and bind it together with the C.P.R.? They said in those days that we were building railways from tepee to tepee. The philosophy of the Liberal party has not changed. The philosophy of the Conservative party has not changed, because we adopt that same basic attitude toward our nation's problems and our nation building that we had in those days. It is little wonder that Harry Boulette—who was a Liberal candidate in the provincial election, I believe, in Manitoba in 1958 or 1959—came out in this election and supported me. He said that the policies of the former Liberal government had bankrupted the north country. He is known as the king of the north. He said that the policies of the Conservative government had breathed new life into the north country. It is no wonder the Liberals received such a small percentage of the votes in the north country, because when their own party supporters and party candidates desert them, they must indeed be bankrupt of ideas. Harry Boulette was not the only one. There was the candidate in Brandon-Souris who deserted the party because of their nuclear stand. He led an anti-nuclear demonstration in Winnipeg during the campaign. Therefore one does not wonder at the verdict given by the people of western Canada to this government.

I think it is about time that instead of fragmentation policies they sought to unite this country. I for one will be waiting eagerly for the ministers on the other side of the house to get up one by one and declare what are these nation building policies they are going to bring forth. I would like to see them brought forth, because we will certainly support them if they are good for Canada.

I must compliment the backbenchers of this parliament, because they are most certainly better behaved than were the backbenchers of the last parliament. We are not

going to behave in any way like the Liberals behaved last December 19. Do hon. members remember that day—

Mr. Matheson: After six o'clock.

Some hon. Members: Pipe down.

Mr. Slogan: —when they forced the prime minister to stop speaking. A friend of mine, after witnessing that incident, said, "You know, the House of Commons was once a gentlemen's club where most of its members spent their time hunting and shooting. After that demonstration it looked more like a railway brotherhood whose members spend most of their time shunting and hooting".

In the few minutes I have at my disposal, Mr. Speaker, I should like to acquaint the house with my constituency. It stretches from Winnipeg to the Ontario boundary; it goes 300 miles north; it covers some 30,000 square miles of territory, and there are 50,000 people in it who are representative of all nationalities and all creeds. It is a Canada in miniature. We have suburban areas and we have vast areas where you can go 100 miles without seeing a person. We have Indians, Metis, Ukrainians, Poles, Germans and people of all nationalities who came in the great immigration under the Liberal government—and I give them credit for this—not as immigrants but more as colonists, who settled, worked hard and built Canada. The sons and daughters of these people are, like myself, taking their place in the forefront in professions, business and all walks of life. As I said before, I regret that this government has not seen fit to recognize the people who represent one quarter of this country's population.

I hope the present Prime Minister will correct this and correct it soon because I think these people are very deserving. In saying this, I take nothing away from our other people. I spent some time in Quebec. The first school I went to was a French school that did not teach English. I have a great deal of respect for all nationalities and I have great respect for Canada. My only plea is that we look to Canada first, that we do not fragment our nation, that we do not fragment our policies. I think the government can count on the support of every hon. member in this house if they bring in policies which have as their basic aim the building of a great, united Canada for the betterment of future generations. If those policies are brought forth, then the government need not worry about being defeated in this house. But so long as they fragment our nation, so long as they adopt this narrow, partisan point of view which does not see the forest for the trees, then Canada will indeed be in a sorry state, and if it is it will not be long before the people of Canada will again render their verdict and re-elect a Conservative government whose purpose is to unite Canada.

(Translation):

Mr. Alexandre Cyr (Gaspe): Mr. Speaker, I should like to associate myself with those who spoke before me to congratulate you on your appointment as Speaker of the house.

I should also like to commend the Deputy Speaker on his own appointment and the mover (Miss Jewett) and seconder (Mr. Choquette) of the address in reply to the speech from the throne who are the pride of the new and youthful Liberal team.

As the member for Gaspe, I am glad that the throne speech deals with questions which are of special concern to underdeveloped areas. It is the first time that a throne speech holds such promise for underdeveloped and labour surplus areas like Gaspe.

My riding which is a tourist attraction has a population of 65,300, 29,800 of whom have the right to vote.

In the first few months of 1963, there were 6,000 unemployed; three quarters of them received unemployment benefits and the others social security benefits.

Mr. Speaker, some people are alarmed when the unemployment level reaches 6, 7 or 8 per cent of the labour force in Canada. In my constituency, it goes over 50 per cent in wintertime and winter lasts six months down our way.

The federal legislation which was enacted in these last few years to relieve unemployment did not do so much for the underdeveloped areas of Quebec and the maritimes, but especially for the Gaspe peninsula.

During the past seven years, I was secretary treasurer of the town of Chandler and there are facts I know from personal experience which I should like to put on record mainly concerning the winter works program.

That legislation is more favourable to western municipalities and those of central Canada than to communities located in the province of Quebec and in the maritimes.

There are two seasons in Gaspe, summer and winter. This year, the winter works program covered the period from October 15 to May 31 regardless of whether the works were being carried out in Halifax, Chandler, Montreal, Toronto or Vancouver.

My colleague in the House of Commons, the member for Vancouver Quadra (Mr. Deachman) arrived in Ottawa around May 10 for the opening of the session and he told me that, before he left the Pacific coast, tulips

in Vancouver were a thing of the past and that summer flowers were in bloom.

On May 10, this same day, I had lunch with the students of the classical college of Gaspe seminary, and this same morning, my car became stuck during a snow storm at Murdochville.

The municipalities in my constituency can hardly benefit from the winter works program, because there is too much snow and the weather is too cold.

The Department of Labour will have to set up a committee to review the law and regulations governing the winter works program. When the time comes to pick out the members for this study, we will have to choose people from underdeveloped areas.

Mr. Speaker, the enacting of other legislation to help the areas suffering from chronic unemployment was not favourable to Gaspe peninsula. The point is about order in council No. PC-1961/326 amending the Income Tax Act in order to help industries in a surplus labour area.

The authorities of the town of Chandler and of 12 municipalities in the area submitted a brief in 1961 asking that our area be declared a surplus labour area.

On April 24, 1961, the deputy minister of labour replied as follows:

As you know, a survey was conducted last spring to see whether the village of Chandler could be recognized as an area of surplus labour for the purposes of the special capital cost allowance program. It has been ascertained that the area was not meeting the conditions required to be classified as such under the program.

To be recognized as a surplus labour area, (1) an area must have been classified by the Department of Labour in the surplus labour area category for at least 50 per cent of the summer months from 1953 to 1960 and (2) employment must have decreased during the same period. Our survey of the situation discloses that the village of Chandler has been classified in that category for less than 50 per cent of the necessary period and that employment in Chandler has increased during the same period. As you can see, Chandler meets neither of the two conditions.

Since the designation is based on the trend of employment and of unemployment during the period 1953-60 and since, according to the reports, your area does not meet the conditions, I hope you will understand that it would not be of much use to make a new survey.

Yours truly,

George V. Haythorne.

Mr. Speaker, during the fifties I was placement officer of the unemployment insurance office in Chandler, and I can assure you that the statistics related to the unemployed were in accordance with the applications filed at the office, but they did not give a real picture of the conditions prevailing in that area.

The Gaspe population was aware of the fact that there were no jobs available in the forest industry, in the building industry or elsewhere. So they felt that it was useless to report to a local office for employment since jobs were not available.

Mr. Speaker, may I call it ten o'clock?

(Text):

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

HOUSE OF COMMONS

Wednesday, May 29, 1963

The house met at 2.30 p.m.

(Translation):

PRIVILEGE

MR. DESCHATELETS—REFERENCE TO ARTICLE IN "GLOBE AND MAIL"

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I rise on a question of privilege.

I notice that my name appears on the front page of today's edition of the *Globe and Mail* in connection with the following:

(Text):

Shortly after the Liberal victory at the polls a dinner that became known as the Ruby Foo's party was held in Montreal. The dinner brought together successful Liberal candidates and Mr. Banks. Among those reported to have attended were public works minister Jean-Paul Deschatelets, Edmund Asselin, member for Notre Dame de Grace, and George Lachance, member for Lafontaine, who acted for Bernard Boulanger, director of the S.I.U.'s welfare plan at the Norris inquiry.

(Translation):

I am amazed that my name should be mentioned in that report since I have never met Mr. Harold C. Banks nor even spoken to him on the telephone. I do not know him and I could not even say what he looks like. Moreover, I have never set foot in Ruby Foo's restaurant and I regret to say that I never had the pleasure of eating out with my colleagues from Notre Dame de Grace (Mr. Asselin) and Lafontaine (Mr. Lachance).

Under the circumstances, I hope that the person who wrote the article will confirm my statement after checking the facts. I must add that the hon. members for Notre Dame de Grace and Lafontaine also deny the report.

[*Later:*]

Mr. G. C. Lachance (Lafontaine): Mr. Speaker, I did not have the opportunity, a few minutes ago, to speak following the statement made by the Minister of Public Works (Mr. Deschatelets). I should like to add that I fully support the statement he made to the effect that neither he nor the hon. member for Notre Dame de Grace, nor myself have been invited to or have attended a dinner in Mr. Banks' company, with whom I have never had dinner. Furthermore, I might add that it has been two or three years since I last set foot in the restaurant where the dinner took place.

(Text):

Mr. Edmund Asselin (Notre Dame de Grace): On a question of privilege, I thought the Minister of Public Works had made the matter clear. However, I think I should say I was neither invited to nor present at any such meeting as is referred to in the *Globe and Mail* this morning.

Mr. Frank Howard (Skeena): May I, too, in conjunction with this, indicate that neither do I know Hal Banks, nor do I have any great desire to.

(Translation):

[*Later:*]

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to put a question to the Minister of Justice (Mr. Chevrier). In view of the almost disgraceful manner in which the Minister of Public Works (Mr. Deschatelets) denied a moment ago the report published in the *Globe and Mail* and since the same item reports also that there were meetings between the Minister of Justice and a Liberal organizer—

Mr. Speaker: Would you come to the point?

Mr. Gregoire: My question is this: Is the Minister of Justice denying the report published today to the effect that he had discussions with one of the directors of the S.I.U.?

(Text):

Mr. Speaker: The question is completely out of order, but in order to complete the report may I say the restaurant in question is in my constituency and I knew nothing about this meeting, nor had I had anything to do with it.

MAIN AND SUPPLEMENTARY ESTIMATES, 1963-64

Messages from His Excellency the Governor General transmitting the main and supplementary estimates for the financial year ending March 31, 1964, were presented by Hon. Walter L. Gordon (Minister of Finance) and read by Mr. Speaker to the house.

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, by leave of the house I would like to make a statement concerning these estimates. The main estimates being tabled today are those which were prepared last fall and which have been the basis for the

operations conducted under authority of special Governor General's warrants during April and May of the current year.

The supplementary estimates (A) are also being tabled today and contain the customary adjustments of the main estimates. Total budgetary expenditures in the main and supplementary estimates for 1963-64, including amounts already authorized by continuing statutes and moneys parliament is being requested to appropriate, amount to $6,545,-504,515.

Because of the need for carrying on the financing of government operations by special warrant for the last two months of 1962-63 it will be necessary to await the appearance of the final expenditure figures for that year in order to make detailed comparisons. The government intends to report to parliament the total estimates and supply picture for 1962-63, following a detailed review being made to determine items and amounts which should properly be charged to the accounts of that year.

The royal commission on government organization, the Glassco commission, made suggestions for improving the form in which the estimates are presented to the house. These are at present under review but no change has been made in the form in which the estimates for the current fiscal year are now being presented.

With the permission of the house I now request that there be included in *Hansard* two tables relating to the estimates. The first table compares the 1963-64 estimates with the total budgetary estimates for several preceding years. The second table indicates the changes in the main estimates for 1962-63 and 1963-64, broken down by administration and operation, capital and other costs.

Mr. Speaker, there are two ways of effecting economies in government expenditures. The first is by a detailed examination of each item of expenditure and the particulars of each establishment. The second is by a realistic reappraisal of policies and programs approved in the past and carried forward from year to year more or less automatically. The purpose of such a reappraisal would be to see if certain programs that may have been quite justified and useful when originally introduced should now be dropped, or reduced in scope, in favour of new programs of greater importance under the economic and social conditions prevailing today. Both these approaches are needed if a thorough control over government expenditures is to be exercised. It may be, however, that the second approach of reappraising existing programs will provide greater opportunities for eliminating or reducing less necessary government expenditures than a long drawn out examination of details, which sometimes degenerates into mere penny pinching.

Treasury board is now examining the programs of each department with the assistance and co-operation of the ministers concerned. Of necessity this examination will take some months to complete. Any reductions in the 1963-64 estimates which may result from this further examination and review will be reflected in the appropriations the house is asked subsequently to authorize.

The government is also pressing forward with a review of the recommendations made by the Glassco commission. Those recommendations of the commission that may be expected to result in greater efficiency throughout the public service or in useful savings of expenditures will be implemented as quickly as possible.

Mr. Speaker: Does the house give permission to the Minister of Finance to have printed in *Hansard* the explanatory notes and attached tables relating to the 1963-64 estimates?

Some hon. Members: Agreed.

[*Editor's note: For explanatory notes and tables referred to above, see appendix.*]

Hon. George C. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, the statement which has just been given to the house by the Minister of Finance in connection with the tabling of these estimates is, of course, of interest to all hon. members. I have not had an opportunity to see the statement, which sometimes has been given to financial critics prior to the tabling of the estimates. All I can say at the moment is that we have listened with interest to the minister's statement and will give proper consideration to the explanations he has given. I gather from what he said that treasury board may still be dealing with a revision of these estimates. I presume, however, that the estimates which are now put before hon. members are the final estimates of his government in so far as the financial year is concerned, and we will not expect these to be amended except as further expenditures are required.

I am very happy to see some reference finally made to the report of the Glassco commission—

Some hon. Members: Hear, hear.

Mr. Nowlan: —and the fact that the present government is considering dealing with some of the economies which were recommended by that commission. At the moment, Mr. Speaker, there is nothing one can say in this matter except that we have before us today

the estimates for the coming year. I am not sure what procedure is going to be adopted by hon. gentlemen opposite in dealing with the estimates for the preceding year which, due to their own obstruction, were never approved by parliament.

Some hon. Members: Order.

Mr. Nowlan: I assume that some legislation will be brought in to validate those estimates, otherwise I think we on this side of the house will have to take a very careful look at this matter to decide what procedure we are to adopt. But at the moment we welcome the tabling of the estimates today. I hope this government follow the economies which their predecessors attempted to institute. We will consider this matter and deal with it on a future occasion as circumstances warrant.

[*Later:*]

Mr. Gordon moved:

That the messages of His Excellency together with the estimates presented this day be referred to the committee of supply.

Motion agreed to.

NATIONAL DEFENCE

DISCUSSIONS RESPECTING U.S. AIR FORCE UNITS IN CANADA

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): I should like to address a question to the Minister of National Defence. Has he had, or does he contemplate having, any meetings or discussions with his counterpart in the United States, the secretary of defence; or have his officials, either military or civilian, had any discussions with their counterparts respecting the stationing on Canadian soil of United States air force units?

Hon. Paul Hellyer (Minister of National Defence): I understand that some informal intimations have been received of the possible extension to Canada of proposals for the dispersal of United States air defence squadrons. No official communication has been received.

As hon. members are aware, the government intends to make a full review of defence policy. In that review Canadian co-operation with the United States in the defence of North America will have an important place. Various suggestions which may be put forward concerning Canada-United States defence co-operation will be given careful consideration.

FISHERIES

NORTH PACIFIC CONVENTION—DISCUSSIONS RESPECTING TREATY RENEWAL

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): I wish to address a question to the Secretary of State for External Affairs. Are press reports correct, emanating from the United States state department, to the effect that United States, Canadian and Japanese delegates will meet in Washington starting June 6 to discuss the international convention to regulate high seas fishing in the Pacific? If so, will the minister indicate what is to be the nature of these discussions, and whether it is the intention to refer the subject matter of this treaty to the marine and fisheries committee of this house prior to the date I have mentioned?

Hon. Paul Martin (Secretary of State for External Affairs): The last portion of the question concerns a matter which I am sure the Minister of Fisheries will consider at the appropriate time. With regard to the other part of the question I may say that as I informed the house in answer to a question by the hon. member for Burnaby-Coquitlam on May 20, the renewal of the international north Pacific fisheries convention will be discussed at this meeting next week at which the Canadian government will be represented. There will be preliminary consideration of the continuation of the abstention principle.

Mr. Frank Howard (Skeena): A supplementary question. May I ask the Secretary of State for External Affairs whether any arrangements are being made, or whether any consideration is being given, to allowing a delegation of parliamentary observers to attend this meeting in Washington, as was done in 1952 or 1953 when the treaty was originally signed in Tokyo?

Mr. Martin (Essex East): No consideration has been given to that matter.

[*Later:*]

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, in view of the lapse of some little time I wonder whether I might recall to the Minister of Fisheries the question which I asked earlier of the Secretary of State for External Affairs, and ask him a related question.

My question is this. In view of the very deep dissatisfaction with the recent action of the government in respect to the north Pacific fisheries commission, will the minister assure the house that no further negotiations or action will be taken by the Canadian government in connection with this treaty until there

has been an opportunity for the fullest parliamentary review of this whole question by the marine and fisheries committee?

Hon. H. J. Robichaud (Minister of Fisheries): Mr. Speaker, in reply to the hon. member I wish to state first that the deep dissatisfaction which he has expressed on the decision taken earlier by this government is far from being general. In reply to his second question I wish to state that when the government decides to convene the standing committee on marine and fisheries, the house will be advised accordingly.

UNITED NATIONS

YEMEN—CANADIAN PARTICIPATION IN PROPOSED MISSION

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): I wish to direct a question to the Secretary of State for External Affairs. In view of a report in today's Montreal *Gazette* that United Nations secretary general U Thant proposed yesterday the establishment of a 200 man United Nations observer mission in Yemen, would the minister assure the house that a Canadian contingent will be offered to help staff the proposed mission?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I might say that I had an opportunity of discussing this matter with the secretary general yesterday afternoon. I can assure the hon. member for Burnaby-Coquitlam that the Canadian government will give the most serious consideration to any request which may be received from the secretary general in connection with the establishment of a United Nations observer mission in the Yemen.

I understand that in the report which the secretary general made to the security council he envisages the possibility of drawing upon personnel already serving in the area under the United Nations truce and supervisory organization and the United Nations emergency force. As the house is aware, Canada is one of the major participants in both these United Nations peace keeping operations.

The report which the secretary general has made to the security council was based on reports that were made to him by the distinguished Swedish soldier General Von Horn former head of the United Nations truce and supervisory organization who made an examination of this problem in the Yemen, and I am happy to say that he was assisted in the examination he made by Major Sharpe, a Canadian officer serving in the United Nations truce supervisory organization.

[Mr. Barnett.]

WORK OF CANADIAN DELEGATION AT SPECIAL SESSION

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, I have a question which I wish to direct to the Secretary of State for External Affairs. Yesterday in response to a question put by the hon. member for Oxford the minister indicated that he expected to meet with the secretary general of the United Nations at four o'clock that afternoon to discuss the financial crisis that body is experiencing. In view of published reports this morning that the minister did in fact meet the secretary and tell him the Canadian government's attitude towards this problem, and particularly the leading role being played by the Canadian delegation, could the minister inform the house as to the government's attitude toward the financial crisis, and in particular outline the leading role being played by the Canadian delegation in the solution of this crisis?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I thank my hon. friend for the tribute he has made to the work of the Canadian delegation at the special assembly meeting. I did see the secretary general yesterday, and we did discuss the financial problems involved in meeting the cost of the operation of the peace keeping activities of the United Nations.

The Canadian delegation is now—as a matter of fact this very day—conducting negotiations with a working group towards what we hope will soon be a solution, at least for the period of 1963.

TRANS-CANADA AIR LINES

WINNIPEG TRANSFER OF OVERHAUL AND MAINTENANCE BASE

On the orders of the day:

Mr. S. J. Enns (Portage-Neepawa): Mr. Speaker, my question is directed to the Minister of Transport. This is a further question to those already asked by the hon. members for Winnipeg South Centre and Winnipeg North Centre, and arises from the acute concern of residents of Kirkfield park, the greater Winnipeg area and Manitobans generally over the removal of the T.C.A. base in Winnipeg. My question is this. What steps are being taken by the government to assure that the T.C.A. overhaul base will remain in Winnipeg?

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, I was given notice of this question after I came into the house. I regret that I did not have it earlier, because I should have liked to prepare a more thorough answer.

The question as asked is limited to what steps are being taken to assure that the T.C.A. overhaul base will remain in Winnipeg. There has been no decision to change the decision of the former government to remove that base from Winnipeg. But there is a very real problem in Winnipeg resulting from the removal of the base from Winnipeg, which will be completed at the end of 1965. The government is giving very close consideration to attempting to get work of a similar nature wholly adequate to cover the situation and which will completely replace the work now being done at the base.

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, a supplementary question. I do not want to misunderstand the minister, but did I understand him correctly to say that it had been a decision of the former government to remove the overhaul base from Winnipeg? If so, that is not the case.

Mr. McIlraith: Yes, what the hon. member says he heard me say is correct.

Hon. Leon Balcer (Three Rivers): A supplementary question. I would ask the minister whether he is aware that this decision was taken by T.C.A., and was postponed at the request and at the pressing of the previous government.

Mr. McIlraith: I am aware that certain statements were made by the then ministers at the time of the 1962 election and the 1963 election, and that a study was authorized dealing with this subject, and that the report of this study is not yet available. But I am quite accurate in saying that the decision was not reversed either by the former government or by this government.

Mr. Balcer: A further supplementary question. Is it a fact that this study was ordered by the previous government?

Mr. McIlraith: Yes.

[*Later:*]

Mr. George Muir (Lisgar): I should like to address a question to the Prime Minister. Since so many of the Manitoba members have expressed concern over the proposed move of the T.C.A. repair and maintenance depot from Winnipeg, I should like to ask the Prime Minister when he proposes to make a statement that will reassure the workers and their families that the commitment made by him during the election campaign will be carried out.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I do not know to what commitment my hon. friend is referring, but I assure him—

Some hon. Members: Oh, oh.

Mr. Pearson: —that this matter is now receiving far more active consideration than it received in the two years previous to the election.

Mr. David Orlikow (Winnipeg North): May I ask a supplementary question. On March 30 the Prime Minister sent a wire to the Liberal candidate to the effect that a Liberal government would immediately clarify the position of T.C.A. I wonder when we can have that clarification.

Mr. Pearson: Very shortly.

[*Later:*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Veterans Affairs. In view of the fact that all the other hon. members from Winnipeg and surrounding constituencies have requested the retention in Winnipeg of T.C.A.'s maintenance and overhaul operations, will the minister, as the hon. member for St. Boniface, join in making these representations unanimous?

(Translation):

ADMINISTRATION OF JUSTICE

REPORTED INTENTION TO REFORM SUPREME COURT

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Minister of Justice.

In keeping with a statement made by the hon. member for Outremont-St. Jean on October 1, 1961, does the minister intend to recommend to the cabinet a reform of the superior court where judges would be appointed by the provinces?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, first I would have to be sure about the preamble of the hon. member's question. I doubt very much the hon. member for Outremont-St. Jean made such a statement. In any case, if the hon. member would kindly send me a copy of his question, I shall take it into consideration.

Mr. Pigeon: A supplementary question, Mr. Speaker. I shall be pleased to send a photostat of the *La Presse* edition of October 2, 1961, to the Minister of Justice.

Mr. Chevrier: Mr. Speaker, I do not believe the question to be urgent, but nevertheless I shall accept the photostat mentioned by the hon. member.

Inquiries of the Ministry

(Text):

SUGAR

ACTION TAKEN WITH RESPECT TO RISING PRICES

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Minister of Justice arising out of a statement made in Washington by the under secretary of agriculture regarding the rising price of sugar. In that connection he points out that the speculative bubble in sugar will burst under the weight of plentiful supplies.

Since I asked a question the other day, has the minister had any opportunity to look into this matter, and is he able to give the house any information having regard to the fact that the amount of sugar on hand in Canada as of March 31 last was considerably more than a year ago? Also, what present steps are being taken in connection with sugar prices which are proving so detrimental to those in the lower income tax brackets?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, apparently it is not a question we have heard, but a statement by the right hon. gentleman arising out of a press release from Washington.

I should like to point out to him and to the house, as I intended to do and tried to do on a former occasion, that the Combines Investigation Act is quite clear as to the responsibilities of the director of investigation and research with regard to investigations. The act is clearly directed and aimed at preventing, first, combinations in restraint of trade, which require a conspiracy to be proven, and, second, the abuses of a monopoly situation. The act is not concerned with the level of prices as such but rather with the manner in which they are established. The manner in which sugar prices have risen indicates no contravention of the statute.

However, my hon. friend did raise a question the other day which I brought to the attention of the director, and he has given me the following information which I should like to give to the house. The director has reported to me that the situation in Canada is a direct reflection of world market conditions over which Canada has no control, and that any action taken under the Combines Investigation Act cannot be expected to correct the situation.

In the light of the situation I am, therefore, exploring with my colleagues whether there are any other measures than can be taken within the constitutional authority of the federal government to alleviate the situation.

Mr. Diefenbaker: Mr. Speaker, I should like to ask the minister this question. What communication has he or the department had with the various sugar wholesalers or processors in order to prevent or at least alleviate these skyrocketing prices which, as I said a moment ago, are not only bearing upon those in the low income tax brackets but in fact are affecting all Canadians? Is it not a fact that the amount of sugar on hand on March 31 was very much in excess of the previous year?

Mr. Chevrier: Mr. Speaker, as to communications the practice is, as my hon. friend knows or should know, that when there is a report forthcoming the minister has to table it in the house after a statutory period of time. No report has been made to me by the director, but the matter is under study.

In so far as the latter part of the right hon. gentleman's question is concerned, certainly there is no doubt that this situation is affecting the housewife and the ordinary person on the street. But by inference on the part of my right hon. friend is the answer to be control of prices? If that is what he has in mind, then I think he should so indicate to the house; because the house well knows that we did have control of prices under different circumstances. I am sure that is not what he is suggesting to the house at this time.

Mr. Diefenbaker: Mr. Speaker, the minister has asked me a question. Naturally I understand the constitutional position in Canada, but I am asking him what the government is doing with reference to these companies which are going to make a tremendous windfall of profit on the basis of 400 million pounds of sugar on hand and with prices up 9, 10 and 11 cents a pound. What communications has he or those connected with the administration had in order to bring to the attention of these corporations the tremendous increment that will be theirs as a result of whatever conditions may be?

Mr. Chevrier: The right hon. gentleman is now shifting his ground.

Mr. Diefenbaker: Not at all.

Mr. Chevrier: Oh, yes. The other day he asked what the minister was doing, and he placed the responsibility squarely on the shoulders of the minister. I have replied that under the statute there is machinery to deal with a monopoly and with price fixing combinations but in so far as profiteering and the level of prices are concerned these are matters over which the Combines Investigation Act has no jurisdiction. I did add that in so far as the general question was concerned I intended, with my colleagues, to see if under the constitutional authority in our country there was not some means of dealing with the situation, and I thought I had

given the house a satisfactory explanation under those circumstances.

I hope the right hon. gentleman will accept that, because I repeat that the situation is a world wide one which I as minister cannot prevent under the statute. However, in terms of prices I hope there is something that can be done, having regard to the constitutional position, and that aspect I am willing to consider and study with my colleagues.

Mr. Diefenbaker: When?

AGRICULTURE

MAINTENANCE OF RECORD OF PERFORMANCE PROGRAM

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Is it the intention of the government either to discontinue or in any way limit or restrict the present r.o.p., program, or to reduce the number of r.o.p. inspectors?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, the government's attitude in so far as record of performance is concerned will be to service record of performance as it should be serviced. We feel that any cutting back or austerity so far as the testing of cows is concerned is not proper austerity. These are good and efficient programs so far as livestock are concerned, and deserve to be serviced. We will be bringing them up to scratch as soon as possible.

HEALTH AND WELFARE

LUNG CANCER—SUGGESTED OBSERVANCE OF NON-SMOKING DAY

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare. In view of the ever-increasing evidence linking excessive cigarette smoking with lung cancer, and having in mind the educational efforts being conducted against smoking by some of the provincial health departments, would the minister consider asking hon. members of this house to set the country an example on Friday, May 31, by suggesting that we observe the annual non-smoking day established by the government of British Columbia?

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, in as inoffensive a way as possible I wonder whether I might direct Your Honour's attention to the question which has just been asked. It would not appear to me to be dealing with an urgent matter that has arisen since orders of the day yesterday, but rather concerns something of long standing which therefore does not come under the classification of urgent questions. This is the last day we have for the debate on the address, and to have things done today that are against the rules will deprive hon. members of an opportunity to speak to which they are entitled.

Mr. Speaker: I listened with a great deal of interest to the hon. member for New Westminster, and I feel there is no urgency in the question. It could be put on the order paper.

AIR POLLUTION—REQUEST FOR NEW CONTROL CODE

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to direct a question to the Minister of National Health and Welfare. I have been requested to ask this question because of concern in several parts of Canada. In view of that concern, and with air pollution increasing as a result of increased industrial activity, is the government giving consideration to the development of a new air pollution control code?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): I thank the hon. gentleman for giving me notice of this question, although I received it only as I was entering the chamber. In answer I should like to say briefly that if it is not, as a result of my hon. friend's interest it will be now.

ENERGY

EXPORTS OF GAS AND OIL TO UNITED STATES

On the orders of the day:

Mr. G. W. Baldwin (Peace River): I have a question for the Prime Minister. In view of the Canadian Press dispatch datelined Washington which appears in today's Montreal *Gazette* to the effect that the United States government is exerting pressure on Canada to reduce the rate of expansion of gas and oil exports to the United States, is the government prepared to give support to the Alberta-Montreal oil line project?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the premise of the hon. gentleman's question is incorrect; therefore the question itself cannot be answered.

Mr. Reid Scott (Danforth): May I ask a supplementary question. The question asked by the hon. member indicated that the United States was expressing concern over our shipments of natural gas and oil. Has the government been asked to accept quotas or other restrictions on such shipments, and can the minister inform the house as to the government's response to such requests?

Inquiries of the Ministry

Mr. Pearson: The Minister of Trade and Commerce was in Washington on Monday and Tuesday of this week. He discussed this matter with the United States authorities, and I believe that the danger to which my hon. friend referred, and about which the hon. member spoke previously, will not be realized.

REQUEST FOR STATEMENT ON DISCUSSIONS WITH U.S.

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my question is for the Minister of Trade and Commerce, but in his absence I am directing it to the Prime Minister. According to a report published in the Winnipeg *Free Press*, when the Minister of Trade and Commerce was in Washington on Monday he entered into discussions regarding a study of the whole continental position with respect to energy. Can the Prime Minister say what was involved in those discussions or will a full statement on the matter be made to the house by the government at an early date?

Right Hon. L. B. Pearson (Prime Minister): Yes, Mr. Speaker, the Minister of Trade and Commerce will be making a statement on this matter at an early date.

EXTERNAL AFFAIRS

REQUEST FOR RE-ESTABLISHMENT OF CANADA-U.S. PARLIAMENTARY COMMITTEE

On the orders of the day:

Mr. R. Gordon L. Fairweather (Royal): I have a question for the Prime Minister. Would the Prime Minister immediately initiate whatever arrangements are necessary to re-establish the Canada-United States parliamentary committee in view of the need to provide an opportunity for an exchange of points of view about important current issues which might complicate our relationship with the United States?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I welcome the hon. gentleman's interest in this matter. It is not a question of re-establishing this machinery, which is still in existence. It has not been very active in the last year or so, but it is proposed to convene a meeting of this congressional-parliamentary committee at a very early date, and discussions are already under way to that end.

NATO—SUGGESTED NON-AGGRESSION PACT WITH WARSAW PACT COUNTRIES

On the orders of the day:

Mr. Andrew Brewin (Greenwood): My question is addressed to the Secretary of State for External Affairs. Would he care to clarify the Canadian position concerning the idea of a non-aggression pact between the NATO and Warsaw pact countries suggested by Mr. Paul Henri Spaak, former secretary general of NATO and prime minister of Belgium? I believe this suggestion was also referred to recently by the present secretary general Mr. Dirk Stikker.

Hon. Paul Martin (Secretary of State for External Affairs): I thank the hon. gentleman for giving me notice of his intention of asking this question. In reply I point out that it should be understood that all western countries, and indeed all members of the United Nations, are solemnly sworn to prevent aggression and to develop friendly relations amongst nations. This government considers that it could be useful in appropriate circumstances to give additional recognition to this fact in the form of a non-aggression pact such as that referred to by the hon. member. At the same time, we believe this question is closely linked to difficult political problems in Europe, and between east and west generally, and that it should not be considered in isolation from them. This is a subject on which we are in consultation with our allies, and I can assure the hon. member that all possibilities for reducing international tension by this or other means are under continuous review.

BUSINESS OF THE HOUSE

REQUEST FOR APPOINTMENT OF SESSIONAL COMMITTEE ON RAILWAYS

On the orders of the day:

Mr. J. H. Horner (Acadia): I should like to direct a question to the Minister of Transport. My question arises out of urgent matters affecting Canadian National operations these days. Is the minister prepared to inform the house when the sessional committee to study the operations of the Canadian National will be set up?

Hon. G. J. McIlraith (Minister of Transport): I do not believe that can be done until after the throne speech debate is ended. However, I should expect the annual report would be referred to the committee right away.

HUMAN RIGHTS

STEPHENVILLE, NEWFOUNDLAND—U.S. NEGRO SERVICEMEN DENIED ADMISSION TO CLUB

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Yesterday I drew the attention of the Minister of National Defence to the fact that 20 Negroes from Harmon air force base had been

barred from the Clover club at Stephenville, Newfoundland. The minister said he was drawing this fact to the attention of the Secretary of State and asking him to communicate with the provincial authorities. I should like, therefore, to ask the Secretary of State if he has had any communication with the provincial authorities, and if so what action is likely to be taken to prevent a repetition of this unfortunate incident.

Hon. J. W. Pickersgill (Secretary of State): The hon. gentleman, of course, knows that this matter comes exclusively within provincial jurisdiction. I did, however, communicate with the attorney general, who informed me that before any communication had been received from here he had heard the report and had asked to have an investigation made immediately by the Royal Canadian Mounted Police. This investigation is now under way.

(Translation):

NORTHERN AFFAIRS

QUEBEC—TEACHING OF FRENCH TO ESKIMOS

On the orders of the day:

Mr. John N. Turner (Parliamentary Secretary to Minister of Northern Affairs and National Resources): Mr. Speaker, yesterday the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) asked a question concerning the teaching of French in the Eskimo schools of new Quebec.

I have been asked by my minister to answer that question. After consultation with the churches that serve the north, the department established several years ago a policy to the effect that the teacher would be of the same religion as the majority of the pupils in each class.

In northern Quebec, more than 90 per cent of school age children are Anglicans served by English speaking teachers and missionaries.

Mr. Pigeon: A supplementary question, Mr. Speaker. Does the government intend to hire bilingual teachers to teach both languages to the Eskimos, that is French and English?

Mr. Turner: Mr. Speaker, I realize that the hon. member is greatly interested in this question. In my opinion, it is a matter that both governments concerned should take into consideration.

(Text):

AIRPORTS

VANCOUVER—ALLEGED FEDERAL DELAY IN CONSTRUCTION

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I wish to direct a question to the Minister of Transport. Has the minister's department received recent representations from the mayor of Vancouver relative to the federal delay, which the mayor is reported to have alleged, in the construction of Vancouver international airport?

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, I am not aware of any such representations, but I prefer to take the question as notice and will check on it before answering.

WATER RESOURCES

ACTION TO RELIEVE LOW WATER PROBLEM IN GREAT LAKES

On the orders of the day:

Mr. P. V. Noble (Grey North): Mr. Speaker, I would like to direct a question to the Minister of Public Works. What action has the government taken to relieve the urgent low water problem in the great lakes which is causing demands from various harbours for immediate dredging?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I did not receive any notice of this question, and I shall have to inquire and answer it tomorrow.

IMMIGRATION

WELDON CHAN—INQUIRY AS TO ADMISSION AS LANDED IMMIGRANT

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I would like to direct a question to the Minister of Citizenship and Immigration, but first I would like to tender my congratulations to him on becoming the first person of French origin and descent to attain that particular ministerial position. On Friday last a question was directed to the minister with respect to one Mr. Weldon Chan. At that time the minister indicated he might be in a position to give an answer toward the middle of this week, and I wonder whether he can answer it now.

Hon. Guy Favreau (Minister of Citizenship and Immigration): Mr. Speaker, may I thank the hon. gentleman for his very kind words, but I would like to ask him whether I would be entitled to consider tomorrow as being the middle of the week?

Mr. Howard: With pleasure, Mr. Speaker.

INDIAN AFFAIRS

MANITOBA—RELOCATION OF INDIANS BECAUSE OF POWER DEVELOPMENT

On the orders of the day:

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I would like to direct a question to

the Minister of Citizenship and Immigration. In connection with a meeting of the Indian bands at Cedar lake and Moose lake, Manitoba, with technical representatives of the government of Manitoba to discuss the terms and conditions of the agreement under which Indians of these two reserves would move their homes to make way for the Grand Rapids power development, were representatives of the Department of Citizenship and Immigration present and, if so, who were the representatives of the federal government and when were these meetings held?

Hon. Guy Favreau (Minister of Citizenship and Immigration): Mr. Speaker, I wish to thank the hon. gentleman for having given me notice of his question. The answer is yes, and the representatives of the federal government were Mr. R. F. Battle, assistant director of operations, Indian affairs branch; Mr. A. G. Leslie, regional supervisor of Indian agencies, Manitoba; and a gentleman bearing a name which my very good friends on the other side will, like I am myself, be pleased to hear, is associated with the administration of Indian affairs—Mr. Richard Bell, Indian superintendent of The Pas Indian agency.

While I mention the name of Mr. Bell, Mr. Speaker, I wish to tell the house how grateful I am for the courtesies and amenities which my immediate predecessor extended to me on the day I assumed office. He is all the more deserving of my thanks because at that particular moment he was deeply engaged in making preparations for his marriage to the gracious lady who now shares his life, and I wish both of them the greatest happiness.

To complete the answer to the question, meetings were held at Moose lake with the Moose lake band on June 12, 1962 and at Cedar lake with the Chemawawin band on June 13 and 14, 1962.

HOUSE OF COMMONS

RAYMOND RODGERS—INQUIRY AS TO PRESS GALLERY PRIVILEGES

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I would like to ask the house leader a question that perhaps you can assist him in answering, or that he can take as notice. I would like to ask the house leader if he is aware, to use a euphemism, that contrary to reports the difficulties between Raymond Spencer Rodgers and the press gallery still exist and, if they do, can he inform us what privileges have been given or denied to Mr. Rodgers?

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

[Mr. Orlikow.]

Mr. Fisher: Mr. Speaker, on the point you raised it surely refers to the privileges of the house, and this house last year thought seriously enough about it, when a petition was brought forward, to have it referred to a parliamentary committee. In this sense, if it is a question for the order paper, can you tell me who is the minister who is responsible for answering it? It is not really a question for a minister of the crown.

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, on the point of order raised by the hon. gentleman, I think his point of order answers itself. If the question is not one that can be answered by a minister of the crown, then it is not a proper one to be asked on the order paper.

Mr. Fisher: I can see no other way to raise it than by asking the house leader, in order to get a reply. The proceedings and procedures of this house do not provide for a direct question to the Speaker. In effect, in this particular case the Speaker provides the continuum between two parliaments. As I understand this matter, it was left up in the air by the disappearance of the last parliament. It is, as far as I am concerned in raising it as a question, a matter of some urgency in that I feel this particular gentleman has a right to have the cancellation or diminution of his privileges reviewed.

Mr. Pickersgill: I shall be glad to bring the hon. gentleman's question to the attention of His Honour the Speaker.

Mr. Speaker: I may be able to complete the answer by saying that the matter is under very intense consideration.

DEFENCE PRODUCTION

STATEMENT AS TO ALLOCATION OF NAVAL REFITS

On the orders of the day:

Hon. C. M. Drury (Minister of Defence Production): Mr. Speaker, yesterday the hon. member for Cape Breton North and Victoria asked a question about a possible refit scheduled for the North Sydney marine railway. In accordance with the recommendation of the Canadian maritime commission for the refit of H.M.C.S. *Thunder* to take place at the North Sydney marine railway, a contract to that effect was signed on May 27.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Tuesday, May 28, consideration of the motion of Miss Pauline Jewett for an address to His Excellency the Governor General in reply to the speech

from the throne delivered by His Excellency the Administrator at the opening of the session.

(Translation):

Mr. Alexandre Cyr (Gaspe): Mr. Speaker, today, employment offices in the Gaspe peninsula can supply us with rather accurate statistics on conditions at this time because in order to receive unemployment assistance benefits, heads of families, and all adults, must first report for employment at the national employment service office in order to qualify for social service relief. In my riding, more than 1,500 heads of families, or other adults, benefited from that social service last winter.

Though some legislation was adopted in the past which favoured one area or one province less than others, it should not be held against the Conservative party or the Liberal party. The blame should rest with the representatives of those areas.

On April 8 last, the people of Quebec expressed their confidence in the government members, after having given them a formal warning in June 1962. The era of great speeches containing fine promises by statesmen during the last 20 years, will not be accepted in Quebec from now on, and more particularly in my constituency.

Action is what is needed, and as soon as possible.

Mr. Speaker, industry has not been established in the Gaspe peninsula because our governments did not bother to do any planning.

Thanks to the Liberal government in Quebec, the whole of the Gaspe peninsula will have plenty of power this fall.

It is now up to the federal government to grant some fiscal advantages to industries who would set up there and, jointly with provincial authorities, to give them adequate means of transport and communication.

Mr. Speaker, the hon. member for Villeneuve (Mr. Caouette) stated on May 21 last, as can be seen on page 8 of the appendix to *Hansard*:

> The whole Quebec electoral machine was at work and the Liberal members from Quebec are aware that all sorts of allowances, especially social allowances, were very generously distributed during the election campaign by the inspectors of colonization, the inspectors of all departments who paid amounts of $50, $60 and $75 to needy families in those ridings.
>
> We have had examples of that from the Gaspe peninsula.

Mr. Speaker, in my riding, I lost some votes to the Social Credit because I spoke against the present system of unemployment assistance as distributed by our social services.

As a former director of the welfare service of the town of Chandler, I contend that it is a tragedy for our society to pay relief to men of 20 to 50 years of age who are in perfect health but unable to find any employment.

These days there are state pensioners of 25.

Besides, all claimants of social welfare in my constituency suffered a decrease of 10 per cent in their benefits a few months before the election and even during the campaign as a result of an order in council adopted by the Quebec department of family and welfare concerning unemployment assistance. The Quebec Liberal government was blamed and the federal Liberal candidate took the blows.

Last year, Mr. Speaker, in order to get votes, some Social Credit organizers deluded some electors in my riding into a belief that Social Credit and social service were the same thing. I had to contend with that harmful propaganda during my election campaign. But, to me, the favourable result of my election campaign was never doubtful from the date of the convention on March 4, and I was certain of a Liberal victory after the visit of the Social Credit assistant leader in my riding. I am very thankful to him.

I stated that I was against unemployment assistance replacing jobs but I am not opposed to good social legislation. I do not want my words to be misinterpreted.

Having visited 4,000 people at home in my riding during the election campaign, I can state in this house that it is high time to change that system or those handouts of public funds, because our generation will be made up of people depending unwillingly, and in some cases quite willingly, on the governments.

Mr. Speaker, we must, in my constituency, increasingly encourage the people to enter the fishing industry, and therefore we must give them good fishing harbours and even subsidies or support prices as we do for some farm products.

For years, we have been living with the hope that the soil of our area would contain oil and large ore deposits. To date, only one company is operating a copper mine and it is high time the mining firms which hold prospecting concessions hasten their research. In addition, governments should, if need be, give subsidies to prospectors in order that in

the near future we may know what are the possibilities for the development of the natural wealth in the peninsula.

Mr. Speaker, we will, in 1967, celebrate the centennial of confederation. This will cost millions of dollars to the government both for the celebration and the world fair to be held in Montreal.

In Charlottetown, a memorial building worth thousands of dollars will be built.

In 1934, for the celebration of the fourth centennial of the discovery of Canada, parliament appropriated a mere $100,000, and this with a proviso that the distribution of the funds would be made by the treasury board with some amounts being allocated to Gaspe, Three Rivers, Ottawa and Niagara. Senator L'Esperance was the president of the celebration committee at the time.

At the spot where Jacques Cartier claimed possession of Canada in the name of the king of France, a measly few thousand dollars were spent for the erection of a cross to commemorate the birth of a great country.

Mr. Speaker, we should take opportunity of the centennial of confederation to correct that insult and develop an historic park in Gaspe.

We French Canadians have learned in our Canadian history that Jacques Cartier claimed possession of Canada by erecting a cross in Gaspe in 1534, and I am afraid that some groups or organizations would like to strike that chapter off our Canadian history.

In the NATO letter of May 1963, which is distributed to all members of parliament, we are told about the 400 years of Canadian history and the origins of this country; yet, there is no mention of the fact that Cartier claimed possession of Canada in the name of the king of France in Gaspe, in 1534. However, Mr. Speaker, on page 5 of that review, we find a picture showing seven French sailors and a missionary planting a cross and we can read the following legend under the picture:

(Text):

Cartier first set foot on Prince Edward Island in 1534.

I do not want to take anything away from the history of Prince Edward Island. I like that island. I even spent one year at St. Dunstan's University in Charlottetown where I graduated in commerce. But let us give to Gaspe what belongs to Gaspe, and to Prince Edward Island what belongs to that island.

(Translation):

The author of this article in the NATO publication has shown us that the history of Canada is incomplete, biased and prejudicial to harmonious relations in the country.

[Mr. Cyr.]

Mr. Speaker, I believe the time has come to ask the Prime Minister (Mr. Pearson) and the members of this house to provide, in the legislation on a national flag, that this flag be hoisted for the first time at the exact spot where Jacques Cartier set foot in Canada, and to invite the premier of Prince Edward Island to remove the first shovelful of soil for the development of a historical park in Gaspe, just as the Hon. Jean Lesage, premier of the province of Quebec, removed the first shovelful of soil in Charlottetown to inaugurate the construction of the confederation centenary commemoration building.

Mr. Speaker, I am very happy to have delivered my maiden speech in this house. As there will be a vote today, I am deeply touched to be the last French Canadian member on the government side to speak on the address in reply to the speech from the throne.

I would have liked to refer to the scenic beauty of the Gaspe peninsula, to describe the sunset on the mountains or the moonlight on the sea below the cliffs of Gaspe north, as well as the sandy beaches of Gaspe south, of Roche-Percée, of the thousands of birds on Bonaventure island, of the hospitality of the Gaspe people, of the delicious fresh fish meals, of the ideal climate to fight hay fever, and of the winter sports resources of Mont Albert. But I wanted first of all to let you know about the unemployment problem in the Gaspe peninsula, and the possibilities of industrial development in the area and, finally, to relate a page of the history of this Canada of ours.

(Text):

Mr. S. J. Enns (Portage-Neepawa): My first duty is, of course, to offer the traditional words of congratulation to the mover (Miss Jewett) and the seconder (Mr. Choquette) of the address. I also wish to join those who have preceded me in congratulating the Speaker and the Deputy Speaker on their elevation to the high offices they now hold.

In commenting on the speech from the throne, I wish to be counted among those members of the house who hold that it is not given to any one party alone to devise useful legislation at all times. Obviously, useful legislation has been brought in by alternate governments from time to time over the years. Rather, I believe, each member has a duty to represent the will of the electorate which sent him here. Many of my colleagues on both sides of the house are widely experienced in world affairs, in business and in human relations. Some are dedicated to

objectives well beyond the limited goals of party power. We all belong to the world as it is today and must handle its affairs, whether in terms of imposing austerity or of increasing welfare services, making trade adjustments or providing for expensive defence measures; we must deal with all these matters not only with good intentions but on the basis of proven knowledge and experience.

Having said this, I must acknowledge that I consider some of the proposals raised in the speech from the throne to be very commendable. Many of them could have far reaching consequences depending, of course, on how they are implemented. That does not prevent me, however, from deploring the conspicuous lack of certain items which the Canadian people had come to expect as a result of oft-repeated election promises by the Liberal party. A very notable omission, and one which many Liberal supporters will find difficult to understand, is the fact that there is no early indication of an increase in old age pensions. We were told this would be done immediately—it would now appear that "immediately" is not part of the first 60 days of decision. Many of us are wondering what happened to the pledge to introduce a health plan. During the election campaign it was certainly listed high in the rating of priorities. Nor did we hear anything of the grand scholarship scheme in the speech from the throne.

Another shortcoming in the speech is the scant attention paid to agriculture. Coming from the prairies as I do, I cannot refrain from making the observation that the election results showed this section of the country, which has been called the bread basket of the nation, to be also politically the most perceptive. In addition to this being a well deserved tribute to the former prime minister, it is also a firm indication that the former minister of agriculture, Hon. Alvin Hamilton, rendered this country yeoman service in the discharge of his important office. There is no doubt that Manitoba voted for the return of the two cabinet ministers, the widely travelled former minister of northern affairs, Hon. Walter Dinsdale, together with the house leader and minister of veterans affairs and defence in the last parliament, Hon. Gordon Churchill. While all former cabinet ministers from the prairies were themselves re-elected, we certainly expected them to take their place again on the government side of the house. I have no doubt that in the next election several years hence this will be the case.

All prairie provinces, and Manitoba in particular, would have liked to see included some amendments to the Crop Insurance Act to make it possible for the provinces to extend coverage. One of the greatest single problems confronting farmers today is the unpredictable and disconcerting way in which farm income varies from year to year. There are few occupations outside farming where instability and uncertainty are so great—and I am not talking about politicians here. There are few businesses where income may tumble from half of what it was the year before or probably be totally wiped out. This fluctuating farm income has far reaching effects well beyond the farmers themselves; it affects the towns and industries that are all dependant upon agriculture for their business.

To correct this omission in the speech from the throne you will notice, Mr. Speaker, that I have introduced a private member's motion on the order paper dealing with amendments to the Crop Insurance Act to allow provincial governments to re-insure with the federal government part of the residual risk in the early stages of a provincial crop insurance plan. It is my sincere hope that the government, in spite of the brief reference to agriculture in the speech from the throne, will continue to build on the tremendous advances in agriculture achieved under our administration.

Mr. Speaker, there are two matters of some urgency which have already been brought before the house in different ways, and I just want to make passing reference to them again. The first is the contentious question of the T.C.A. overhaul base. I deplore that the Minister of Veterans Affairs (Mr. Teillet) did not join with all the other Manitoba members in expressing concern and a desire to do what can be done to retain this important industry in Winnipeg. The second question of urgency pertains to the trans-Canada highway. I am certain that I can count on support for what I am about to say from Manitoba's only cabinet minister in the present government, since part of his riding, which is adjacent to Portage-Neepawa, contains a section of the trans-Canada highway which is responsible for Manitoba's highest mortality rate. The ever-increasing traffic on this two-lane highway is an ever-growing threat to any traveller on this stretch of the Queen's highway. I would ask that the federal government extend without any undue delay the four-lane divided highway from Headingley to No. 4 junction just west of Portage la Prairie.

Mr. Speaker, a week ago Tuesday after the ringing of the division bells a very significant vote was taken. Quite apart from how the subamendment was actually phrased by the leader of the New Democratic party, the vote centred around the nuclear issue. The new government was sustained on its vital stand for nuclear weapons by a narrow and most uncomfortable margin of only 11 votes. What

frightens me over the outcome of this is that hon. members opposite now show no apparent misgiving over what until last January had caused many searching questions when they sat on this side regarding effective emergency measures, the dread effects of fallout, the futility of the arms race, and so on. The present Prime Minister (Mr. Pearson) reversed his convictions on that issue on January 12, and thereafter there have been no expressed misgivings from the Liberal party over nuclear arms for Canada. We are now, in effect, in the nuclear club.

In his C.B.C. broadcast of May 3, 1963, Professor Arthur L. Phelps of Kingston had this to say over the nuclear issue:

> If Canada had taken—

—in the election, he is referring to—

> —any effective policy against the nuclear thing it would have initiated a chain reaction around the world. It would, I think, have made both the United States and Russia re-assess their respective attitudes. It could have broken the log jam. Everything would have been dumped with a new sort of thud into the lap of the U.N. The result would be an unfixing of fixed attitudes. It would have set free a new kind of thinking. Indeed, it would have changed the international weather like a fresh wind. In fact, it would have underlined the truth just dawning in concerned informed minds that against nuclear war there is no defence anywhere, any more for anybody.

The Canadian people had a chance to give direction to political thought in our nuclear weapons problem. A brief wild gesture in the right direction might have changed the course of history. Canadians almost made that gesture, but we did not. Eventually this question will spread beyond party thinking, for I am convinced that there is a core of Canadian opinion in favour of an anti-nuclear stand. I refer to the repeated representations constantly being made to us by individuals, organizations, universities, and so on, and many of these are from high-minded persons who have as their main goal the ennobling aim of world peace.

Mr. Speaker, I have no intention of taking up my full allotted time since I am certain that my constituents are anxious to see some of the promised legislation enacted. I will therefore conclude by admonishing hon. members on the government benches to bring on good legislative proposals, for we on this side, together with all Canadians, hold high expectations from this government.

Mr. John Mullally (Kings): Mr. Speaker, I wish to join, first of all, with hon. members who have already spoken in extending to you, sir, my congratulations on your appointment as chairman of committees of the whole house. May I, through you, extend to Mr. Speaker my congratulations on his appointment to his esteemed office. I am sure that it is the sincere wish of all of us that his tenure of office will be both successful and of long duration. May I also extend to the hon. member for Humber-St. George's (Mr. Batten) my congratulations on his appointment as deputy chairman of committees of the whole house.

It is a very distinct pleasure for me to extend my congratulations to my colleagues, the hon. members for Northumberland (Miss Jewett) and Lotbiniere (Mr. Choquette), for the brilliant manner in which they moved and seconded the address in reply to the speech from the throne. I also wish to take this occasion to express my gratitude to my colleagues who, by their many courtesies, have made my initiation to parliament much more enjoyable and much more meaningful.

(Translation):

And now, Mr. Speaker, because I have a hard time with my French pronunciation, I ask my French speaking colleagues to be patient and indulgent.

Although I have studied French long enough in school and at college to be able to read it, I have spoken French too seldom to be fluent in it.

I hereby resolve to do something about it without delay. To that end, I call on my French Canadian colleagues to help me.

Living in a district of the island where French is seldom heard, I never had the opportunity to train my vocal chords in the use of the soft and gentle accents of the French language.

I am sorry that, because of my shortcomings, I have to stop murdering this beautiful language and take refuge right away in my mother tongue.

(Text):

It is my very great honour, Mr. Speaker, to represent the constituency of Kings, Prince Edward Island, in this house. Its physical beauty and rural charm are, I am sure, comparable with the most magnificent scenes anywhere in Canada. Cradled in the blue waters of the Gulf of St. Lawrence, the fertile red soil, the green rolling countryside and the magnificent beaches of Prince Edward Island offer both native islander and visitor a landscape that is beautiful and an atmosphere that is relaxing. While we extol with justifiable pride the great natural beauties of our island, it is our island people that we most admire. I believe that the people I have the honour to represent are among the most sincere, the most generous, the most hospitable and the most independent people in Canada.

At this time, through you, Mr. Speaker, I wish to extend to them my sincere thanks for the great honour they have accorded me, and at the same time compliment them on

their wisdom and foresight in electing a Liberal member. In this way they have made their contribution to the establishment of a Liberal government, a government that is destined to do great things for Canada and for the Canadian people, and at the same time make an outstanding contribution to the betterment of world conditions. I want to assure my constituents that I will always be mindful of my obligations to them, and that I will work at all times for those measures which will be of benefit to those whom I represent. May I also assure my honourable island friends opposite that the interests of my constituents will be in very capable hands, for many years to come.

While the rules of debate allow us to speak on a wide range of subjects during the debate on the address in reply to the speech from the throne, I believe it is more in keeping with the spirit of the address, if not the letter, to confine one's remarks to a consideration of those matters which have been presented in the speech by His Excellency the Administrator, since this is an outline of the legislation the government proposes to present to parliament during this session. Therefore I shall discuss briefly various aspects of the speech dealing with trade, agriculture and fisheries, especially in their application to the area I represent and the Atlantic region in general. Of course, Mr. Speaker, in doing this we are very mindful that as members of parliament we must be concerned with national matters, while at the same time paying particular attention to the area we represent; because we cannot have a vigorous economy in the Atlantic provinces, for example, if the rest of the country is experiencing an economic recession. However, as legislation comes before parliament we will have an opportunity to discuss it both in its national and regional character.

In the Atlantic provinces our natural continental trading lines are north and south while the cherished political threads that bind Prince Edward Island to the rest of Canada run east and west. This has presented, and continues to present, one of the most serious obstacles to economic development and advancement in the Atlantic area. For this reason we are very concerned, probably more so than Canadians in other parts of the country, with all matters affecting trade. It is, therefore, a source of encouragement to us to learn from the speech from the throne that our far-seeing Liberal government believes that economic progress can best be achieved by steadily reducing the barriers limiting trade, and by taking those measures which are designed to expand Canada's export trade.

The geographically natural trading routes for the Atlantic provinces lead us to the eastern seaboard of the United States, the Caribbean area and, indeed, in the broadest view to the entire European Atlantic community. I believe, therefore, that more efforts should be made, first of all, to establish a greater volume of trade between the Atlantic provinces and the West Indies and other areas in the Caribbean. Besides providing a new market for our products this would enable us to make use of carriage of goods by water, a very decisive factor at this time especially when rail freight is so prohibitively expensive, and rail service in general is being curtailed in eastern Canada.

Transportation is a great problem for us on Prince Edward Island because of the great distances that separate island producers from the markets of the rest of Canada. If proper investigation of these new markets and an easing of tariff restrictions could be arranged, then we would have a market closer at hand for our farm and fishery products, a market in the Caribbean and along the eastern seaboard of the United States which could efficiently and profitably be accommodated by water transport. We must therefore continually strive to seek ways and means to compensate for the difficulties under which we in the Atlantic provinces, in general, and we islanders, in particular, labour because of geographic and political exigencies.

Our government's program for agriculture as outlined in the speech from the throne will, I feel confident, appeal to the farmers in my constituency because it gives evidence of the government's concern for farmers everywhere. The provision of two ministers of agriculture should benefit farmers everywhere, in all parts of the country because, as the speech from the throne so clearly states, agriculture in both the Atlantic provinces and on the prairies will receive closer and more expert attention. This, of course, is quite understandable when the burden of this portfolio is, with forethought, divided in this manner. It is also very pleasing to read these words in the speech from the throne as found on page 7 of *Hansard*:

> My ministers will institute new programs to make farming as a whole more stable and more prosperous.

We are faced with serious agricultural problems in my constituency which I am sure are not peculiar to this area alone. The relatively small size of our farms, the extremely high cost of machinery, the shortage of investment capital, the difficulties of transportation and the lack of an over-all well managed marketing program are only a few of the difficulties with which island farmers courageously do battle daily. Nearly 70 per

cent of the farms on the island are under 100 acres and with the high costs of present-day mechanized farm equipment the unit cost of production has become much too high in relation to the selling value of farm products, for island farmers to constitute effective competition. In the last decade, for example, the number of farm tractors on the island has increased by 75 per cent but at the same time the number of farms in operation has decreased by 30 per cent while the size of the farm unit has remained about constant. This means that overhead costs have risen to such a point that some measures must soon be taken to remedy the situation if economic tragedy for island farmers is to be averted.

As a rural islander, representing a rural constituency on Prince Edward Island, I would urge that some means be adopted to provide capital to enable island farmers to expand their land holdings. Land on the island is available but the capital necessary to exploit its productivity to the greatest financial advantage is not. The Farm Credit Corporation does not render our island farmers the longed-for assistance that we believed and hoped it would. The almost universal view with respect to the Farm Credit Corporation, which has so very often been expressed to me by island farmers, is that "we just got enough money from it to get into real trouble". We islanders believe that something should be done to make this federal agency a more effective vehicle of prosperity for island farmers.

Further, the cost of machinery for the small farm units presents a major obstacle to progress. As a feasible solution I exhort the executive to give immediate and serious consideration to the establishment of machinery banks by the federal government from which banks farm machinery could be rented by island farmers at a reasonable rate. In this way a machine could serve many farmers and its use would drastically reduce both the capital cost and the maintenance cost of the machinery.

Next, we require much more extensive research into practically every phase of the farm problem, especially into new crops, land use, methods of production and processing as well as the most economically effective methods of marketing. Much has been said, but little has been done on the island under ARDA, and its application, especially in relation to agriculture, has not, as island farmers see it, been clearly defined. It is quite conceivable that research, particularly in the nature of those things I have just mentioned, could be carried out as a project under the Agricultural Rehabilitation and Development Act.

[Mr. Mullaly.]

Agriculture has undergone striking changes in our province, and if this industry is to survive and prosper we must propose and adopt new and imaginative measures, because this is the basic and most important industry on the island.

I was born and raised on an island farm. I know the farmers' problems and the difficulties under which they are labouring at this time. It is, therefore, with a knowledge gained from experience that I speak on their behalf.

In summary, Mr. Speaker, I propose three measures which I believe will do much to improve the serious difficulties that our island farmers are facing at this time. First, I urge that easier credit terms and a more generous amount of investment capital be made available by the federal government to enable island farmers to expand their land holdings and extend their farm operations. Second, I propose the establishment of machinery banks by the federal government to help overcome the almost insurmountable difficulties in this field. Third, I propose the development of a program of research, financed by the federal government, into all aspects of island agriculture.

Now, Mr. Speaker, may I direct the attention of this house to our second basic industry, one which is of great concern to all of us in the Atlantic region, the fishing industry. We have been making very little progress for several years in this country in the development of the fishing industry. This is especially apparent when we compare our fishery development with the rapid progress other countries have been making in recent times. It is, therefore, Mr. Speaker, more than encouraging to know that our Liberal government has expressed its intention to launch, in consultation with the provinces, a program of national fisheries development. It is the sincere hope of all islanders, of the people I represent, and I am sure of all the Atlantic provinces generally, that this will be a truly national program, a program broad in its application and designed to restore this once great Canadian industry to its rightful place in our national economy. There is a great opportunity and a great need for farsighted and realistic action by our Liberal government to expand and develop this second basic resource industry of Prince Edward Island.

It is with justifiable pride, Mr. Speaker, that I notify this house that we in Kings county, Prince Edward Island, who are fishermen and who are associated with the fishing industry, are enthusiastic in our support of the Prime Minister's sustained efforts to establish a 12-mile limit for our coastal fisheries. The intention to secure the establishment of a 12-mile limit for the use of Canadian

fishermen, as stated in the speech from the throne, has received the enthusiastic approval of my constituents. It has been welcomed by them as one of those bold, imaginative steps by a Liberal government to protect their cherished rights. If Canada is to protect its great marine resources for present and future Canadians, it is imperative that our government take the necessary steps as quickly as possible to stop the depletion of our productive fishing grounds which is being caused by the incursion of modern fishing craft from other countries. After our government has negotiated satisfactory arrangements respecting our recognized historic fishing rights with the United States and France, then a unilateral declaration can be made to prevent foreign fishing fleets from exploiting our Canadian fishing resources.

I was closely associated with the fishing industry for several years. I am well aware of the problems and the thinking of our fishermen. I can say emphatically that this is one measure which they have sought for many years, and for which they will thank this Liberal government in the future.

There are many other items of legislation about which I should have liked to speak. However, since this is my first speech before this distinguished assembly. I thought I should deal with those matters which are of immediate concern to my people, the farmers and fishermen of Prince Edward Island. I am sure that there will be occasions, as the session progresses, to deal with other matters of concern.

I have some ideas about procedure, the rules and general matters affecting our functions as representatives of our constituencies, and as members of this house. However, after less than two weeks in this house I feel that it would be premature for me to assume a dogmatic attitude concerning the best methods to adopt for the successful and expeditious dispatch of the nation's business.

Mr. D. M. Fisher (Port Arthur): When one feels such an air of concentrated excitement, upon rising before this mass audience, and contemplates the thousands of *Hansards* that are going to be sent out and to become thumb-worn, as one's speech is gone over, it certainly makes him feel that he is making a great impact upon the Canadian people. Dispensing with the irony for a minute, I should like to extend congratulations to the hon. member for Fort William (Mr. Badanai), the congratulations of the entire lakehead region, upon his appointment as a parliamentary secretary. We are expecting a great deal from him and from the three cabinet ministers in the government representing northern Ontario. I do not know of a time in Canadian history when such an area, in terms of population and in terms of such a natural geographic unit, had such powerful representation as in the present Prime Minister (Mr. Pearson) the Minister of National Revenue (Mr. Garland) and the Minister of Mines and Technical Surveys (Mr. Benidickson).

As a matter of fact, Mr. Speaker, the horizon that is in front of northern Ontario, as it contemplates the light that is flashing from these three cabinet beacons, is almost more than we can face. However, we are going to hope that all this power will be reflected in consideration of some of the problems we have, particularly in relation to mining, forestry, transportation, secondary industry and such things.

One of the points I noted during the Prime Minister's speech in the throne speech debate was his reference to the former prime minister's passionate preoccupation with personalities. While he did not say so, he implied that this was wrong, that the former prime minister had not learned anything from his experience. Well, the main burden of my remarks will be directed towards the election and its aftermath. I want to talk largely in terms of personalities, because it is my feeling that concentration on personalities does not cloak the realities of the day: personalities express them. It is for this reason I preface my remarks with no apology for dealing largely with personalities. Moreover, I do insist that this is perhaps the most important avenue down which to look at politics today.

If one were to sum up the election very briefly he could say that none of the four parties that actually contested the election came off very well. I know the Liberals take a great deal of satisfaction out of forming the government. However, any cold blooded analysis of the situation would show their relative failure was the greatest. I recall encountering a certain cabinet minister, whom I shall not name, just a few weeks before the election. He was talking in terms of 160 or 170 seats. There was a sort of gay abandon in his air. The concrete result achieved on April 8 certainly set that optimism in a different kind of focus.

As individual members of parliament in this house, we are all successful, of course, and that is good for us. However, our parties, and our party—I make that distinction—all failed in a national way. Not one of the parties can take any tremendous amount of satisfaction from the last election.

I want to dig into some of the reasons why we have this rather unpromising and unflattering position of the parties at the present time. I want to start particularly in terms of

the personalities and in terms of the institutions, such as parliament, and the party machines and party programs. My analysis is made, having before me several glaring points regarding the present political situation—glaring and obvious to me and I imagine to all other hon. members here.

The first is that we need several years, certainly at least 18 months, without a federal election in this country. I think we need that space for simple reasons, reasons of equity such as the redistribution problem and the fact that we should not go back to the Canadian people again on a basis that will be 13 or 14 years out of date. I think we need that space in terms of continuity of budgeting and taxation; in terms of some kind of stability of administration in the relationships between the cabinet and the actual administrators, and the relationship between the cabinet, the administrators and the House of Commons.

We need the absence of an election, for 18 months to two years, because all the parties need to reorganize their party positions and party platforms, and of course while they will be doing this in the House of Commons in terms of the programs and attitudes they develop, I certainly speak for my own party when I say we realize how much of this has to be done outside. I am not thinking particularly in terms of party organization but in terms of our own provision for the Canadian people in the future with sharper, more clear-cut policies supported by some kind of study in depth, and of detailed reasons why we think the Canadian people should accept them.

The second glaring factor that seems to me to support the absence of an election is the fact that party leaderships are in such an indecisive position. Later on I shall refer to some of the Gallup poll analyses on this particular matter, but I do not think this point needs to be emphasized. It is quite apparent if one looks at the party situations, particularly the major party situations. Their leadership problems are substantial and they certainly need time to be worked out.

The last point in support of co-operation on our part to see that there is not an election is perhaps a Machiavellian one, a mysterious one, but it is simply this, that at present, there is a general scepticism and even intolerance on the part of the public with politicians and political parties. Maybe I overdraw that point, but I certainly sense it and encounter it in the correspondence I get as both a politician and as someone doing a bit of newspaper practice. Despite our own party contacts who will tend to put up with us willy-nilly, there is an over-all feeling in the country that we have let the people down and are responding with the negative kind of performance they experienced in the last parliament. Therefore the best thing we can do as politicians is to give them some time, not so much to forget but, if one wishes to use a sociological word, for us to re-orientate ourselves.

If one looks at what the election revealed in terms of party support he will find some very amazing things. I am one who has never believed, with regard to the final outcome on election night, that the Gallup poll is a completely accurate forecast, but I do know from personal observation of its use in the United States, and particularly in England, it gets onto opinions that are pretty sharply held by the Canadian people.

I have their release for May 4, which is headed "Community size; religion had sharp effect on vote." It goes on to say that the Roman Catholic vote was strong for the Liberals, being 59 per cent of their total in English Canada shown. I had this put to me in very amusing terms in one town in my constituency. When one of my supporters was on the church steps going into mass she encountered the Liberal organizer who said to her, "Look, Eva, you are the only person in the parish not voting Liberal this time. How about it?" I mention that as an example of something those of us who are in politics in English speaking Canada are aware of, and the Gallup confirms that core of strength. The Meisel studies done earlier revealed this for previous elections. The core of strength in the Liberal party during the last election and for some years, if you want to put it that way, was in the Roman Catholic vote.

I want to analyse something else this same survey put forward. Actually I do not want to analyse it; I want to give it as a fact, that in centres of over 100,000 population the Liberals had a much greater response and got much more support than the Conservative party, but as one went down to the smaller towns in rural areas the Conservative vote went up and the Liberal vote went down.

There is one other item that the Canadian Gallup poll came forward with, and the heading is this, "Liberal, not Conservative, was party of higher income." At first it struck me there was some kind of clash here. If the Liberal party was the party of higher income, and if the Liberal party was the party that had the Catholic vote and if, as all of these later papers show, the best educated people in the country tended to vote Liberal, then you had a very peculiar combination indeed.

On looking at this I finally came to the conclusion that the poll is correct. These are the three sources of strength which the

Liberal party had in the last election. Here was their greatest strength based on the tendency in English speaking Canada, and this is all this analysis will help me to work out. The Liberals got their greatest strength from the Roman Catholic vote, over 50 per cent in real figures of the vote of people with university education, and they also came up with the vote in the major cities.

Now, Mr. Speaker, if you accept this as the basis of the strength of the party now in government and I, from my own experience feel this is so, you immediately begin to think of what this support means in terms of that party and what it will do. I happen to be one of those who, from observation, share the opinions expressed by Robert Fulford who recently did a biographical article in *Maclean's* magazine on the Prime Minister, in which he said as a politician the Prime Minister is almost completely eclectic, that he has an open mind and no set position, and that he takes things, or ideas as they come. If this analysis of the Prime Minister's personality is correct, then it is particularly important to know something about what the Liberal party may tend to do in view of the kind of support it has.

One of the election manifestations, and the Gallup poll does not show it, was that the communications industry was overwhelmingly in support of the Liberal party and the Prime Minister. It seems to me most of the people I know in the newspaper field were wearing Pearson hearts on their sleeves when working over their typewriters, and the same thing applied to the sound and television industry. I would sure like to have found somebody other than a Liberal working in the C.B.C. news and public affairs departments. If that may seem unfair I would like to point out it was unfair to all the other parties.

If anyone wants to get social-scientific on this, down at M.I.T. they made some studies which show that despite any objectivity a reporter wants to have, his application is conditioned by his basic bias, and it certainly was apparent the basic bias of the people doing reporting and commentating, in the newspaper field in particular, had swung first in complete antagonism to the former prime minister and second, in support of the Liberal party.

If any Liberals listening feel that this is a position devoutly to be maintained, I would like to point out to them that those same people are somewhat mercurial. If they will go back to 1958 they may remember that the hearts and the slaves were not red hearts but blue, and they were pulling for the then prime minister, Mr. Diefenbaker.

The other basis of Liberal support that is quite apparent—one of the hon. members from Alberta mentioned it and I certainly encountered it in my area—is that of the large corporations, who were out and out in support of the Liberal party not only with the funds they put up but also in the kind of administrative support they could give. When I say this, I am not complaining. As a matter of fact, if you look at it rightly you can turn this to your advantage. It is possible to do this. There are certain people who do become suspicious when they discover that one political party has the support of the major corporations in this country. But I think this is important because it is this industrial group that in my experience as a member of parliament is the most effective pressure group which influences the kind of policy that a government is going to develop. There is one other group that I must congratulate the Liberal party for, in essence, getting away from their appeal. I always regretted, and I know other people with my approach have regretted it, the emphasis upon the so-called ethnic vote. I feel that one of the good things that has come out of the last two elections is that we are really going to stop thinking in terms of orienting toward the so-called ethnic groups.

The last group, and the one I feel is an important pressure group or idea group in the country, which the polls term college vote people, although they do not have to be college vote people, are the intellectuals in the country, the brains. I do not know that as Canadians we can feel we have too many of these, because it is pretty obvious from immigration statistics that a good many of them disappear and have been disappearing over the years into the United States. But it is a fact that I encountered in my contacts with university people that the overwhelming majority of people in the academic and university fields and in the fields that are close to and have a relationship with, you may say, high culture, were supporting the Liberal party. This was largely as a very strong reaction; not so much because they were seized with the Liberal party and what it was offering, but because of a tremendously strong reaction to the former prime minister and the kind of "little folk, little men" presentation that he was giving. If you want to look at these things and then put your focus on the Liberal party and its leadership, its personalities and its direction, it seems to me you come up with the answer that, given this kind of support, you can have both hopes and fears about where this government may go.

Anyone who has read the debates is aware that you only have to read a paragraph from

the speech of the hon. member for Northumberland (Miss Jewett) and compare it with a paragraph from the speech of the hon. member for Coast-Capilano (Mr. Davis) to realize that here are two young people in the party and there is a considerable divergence in their views. The question from our point of view is, which kind of path or direction is the Liberal party going to take? This is, as far as we are concerned, the most important of all questions. One of the things that has not been mentioned before but which certainly ties in with the election campaign is this. I hope the Liberal party will get off their imitation and organizational mocking of the Democratic party, and particularly the Kennedy image kind of thing. It seems to me that if they read some of the more acute United States periodicals they would realize that they have been criticizing all this "vigor" stuff and a lot of American people are beginning to realize that the Kennedy administration is really not the answer, that in Kennedy they have not got a Truman—I was going to say, they have not got a Roosevelt, but certainly they have not got even a Truman in terms of real drive and accomplishment. In this regard there is on the American scene more image than content. I feel that the reversals in imagery the Liberal party had in the last campaign should lead them to consider that this is one thing they should eschew.

We think a number of things are possible for this party in this parliament and we are looking at the Liberal government and hoping it will do certain things. My colleagues may not agree with this, but I have marked up what I might call the three positions, the Gordon position, the Sharp position and the Pickersgill position. If I might use United States personalities, I would compare the Pickersgill position to that of Senator Harry Byrd, the Gordon position to that of Hubert Humphries and the Sharp position to that of Mr. McNamara, the United States secretary of defence. I am thinking more of attitudes of personalities rather than position. If we look at the Byrd position, or the Pickersgill position, this is really the attitude that the Liberal party can handle things very well by divine right. In their minds they have the ability to straighten out the country and keep it going. This I mention first because it is the aspect of the Liberal party about which we have the least hope, because I think this ability is questionable. We will be watching very closely for the emergence in domination in the party of the divine right concept. We have very little hope for that and we think it could tend to merge into what I call the Sharp position, or, in paradox terms, the McNamara position, that is the administrator of some genius and moderation.

This, it seems to me, in the short run may be very fine, but if we are going to meet the economic problems that our party sees Canada facing and needing solutions for, we will have to have a more radical influence in charge within the Liberal party. Mind you, I have mentioned the fact that I do not think the Prime Minister—I do not want to phrase this in terms that he has not got any ideas in his head, because it is not really that, but he is the kind of person who will seize upon ideas that are beamed to his head and will give them, I hope, some leadership. What I am suggesting is that the direction we want the Liberal party to follow is one in which there will be radical and progressive ideas, ideas which show an increasing urgency on the part of the government to give leadership and accept responsibility in economic matters. This will determine our support, our appreciation and probably our antagonism, if that should become necessary, to the Liberal party. We want to watch very closely and distinguish the influence of the various pressure groups that I have mentioned earlier.

Something that is most encouraging to me is the fact that in the core support that the Liberal party has with the Roman Catholics in English speaking Canada there is a spirit abroad today in the Catholic church which is certainly excited and stimulated by the two great encyclicals of Pope John; these look at political matters and at the form of government organization and its relationships with the people in a most advanced and radical way. During the election campaign I used to read out parts of the encyclical "mater et magistra" and I would ask the audience where they thought they came from. It was surprising how often they thought they came from the New Democratic party platform.

We are looking for many things from the Liberal party and will be showing an intense interest in their personalities and what is revealed. We are going to be sensitive, to undertake quite a critical exegesis with regard to all their statements. For instance, we want to know how much influence Mr. Lamontagne is going to have. I give his name in the clear because it is important in the terms of what he stood for before he came into the cabinet. We do not want to get into joshing about the role of the great Tom Kent, but I think here again we will be watching to see what happens. Some of us at least will be hopeful that the kind of promises that Mr. Kent could make as a politician will appear in the program that is put before us.

One of the things I enjoyed most on the day the throne speech was put before us was the appearance of the former minister of agriculture on television, where he told us three times that this throne speech perpetuated a fraud. I felt this was a real dandy. I do not know quite where he figured the fraud started. I felt maybe he meant "perpetrated". But if he felt there was a fraud perpetuated I would have thought he would have nailed it down and pinpointed its beginning. Not unrelated to this, it occurs to me we had a former cabinet minister speak in this house yesterday; if the Liberals perpetuated a fraud at least he perpetuated one of the biggest switches we have seen. He came into this house and sounded like some mossback in political terms who had crawled in here from the early nineteenth century. The kind of opposition he was attempting was such a contrast to the general imaginative and visionary line—I am not being nasty about this—that the Diefenbaker government took at times; so different that it does not make sense to me. If this is the kind of opposition the Conservative party is going to turn to in its philosophical terms we welcome it as a political party but we wonder, frankly, where it is going to lead them.

Some people are going to ask: what about the attitude of your own party? I repeat again, as I said earlier, our party needs a more clearcut philosophy. We need to do more planning in depth about our own program as well as talking in general terms, as I know we do, about the beneficence of economic planning.

I wanted to touch on some of the calls we are hearing now about the need for parliamentary reform, because this comes into the future picture. One of the things I noted about this debate is the nice way in which the cabinet has moved back and given the new people an opportunity to speak. This is good tactics and it bespeaks a generosity on their part which is truly great. I remember that when in opposition we used to talk about the four horsemen who hogged all the talk. Now they have got all kinds of horsemen in the corral and a few of us are wondering if we are ever going to see some of the lead horses again. They have certainly not been apparent in this debate.

This reflects one of the problems I have noted in this house and that is the distinction between the government backbencher and any other backbencher and also the distinction between the backbencher at any time of any party and what I call the so-called stars of the House of Commons, where we definitely have a star system. One of the reasons, it seems to me, why we never get anywhere with proposals for reform is because traditionally this parliament has been in the hands of a cluster of what you might call stars. I was amused at hearing one of the new brighter members of the Liberal party feeding me the line given to him by his leaders that the thing to do is to come in here and take your time; there is no rush; it is a complicated place and you have got to get used to it. I trust he sits and takes his time until eternity, in political terms.

Our system does not allow any real purpose for a backbencher. His responsibility is to get elected on election night. Then he must be counted on to do so again at the next election. In the interim, he vegetates and looks after his sacred riding.

If we were serious in this talk about parliamentary reform we have to come to some decisions about what standards of performance should be expected of backbenchers. Should we have a roll-call here so that we might have some standard of attendance? Let us just not demand more or better parliamentary committees. How are we going to get better committees if we do not allow backbenchers more scope and opportunity in terms of research facilities? I hear people talk about the importance of research, but one of the things which has never been really settled is whether this research should be centred on the party organization or on the parliamentary library or whether it should be fed directly to the member himself. We have no standard of performance here and the traditional line seems to be the amateur gentleman line best symbolized by the hon. member for Bonavista-Twillingate (Mr. Pickersgill) when he rose a few years ago in this house with beautiful unction and told us he hoped the day would never come when being a member of parliament was a full time job. There is what you might call the amateur gentleman conception of the member of parliament, and then there is the one that it is a full time job which requires and demands all one's energy and support in terms of money and research and then opportunities within the House of Commons itself to do something.

Frankly, it is possible for anyone who is pushing and has a lot of gall—and I am pushing and I would certainly not deny that I have gall—to operate within the confines of this institution and, to some degree, to achieve what I set out to achieve for my constituency and perhaps for my party. But if we are going to reform this system we have to make reforms which will affect all members including some of the more shy ones or the ones who perhaps need a great deal more encouragement than somebody like me.

The idea that the Americans have where a senator or a congressman conducts himself like a Roman pro-consul who can roam the world with tremendous resources at his command and defy the party at any time is really the thing that tends to frighten our party leaders, particularly our major party leaders. They do not like to give such scope. When the former government was in control, one of the things I used to notice was that everybody was somewhat fearful that if they did allow such latitude someone would commit a gaffe. I remember when one young fellow went to Paris and said something which was not approved—and what a tearing down he got. This reflects this hesitation on the part of Canadian party leaders to give the support and the free rein which are enjoyed elsewhere.

I see you are about to rise, Mr. Speaker, and I should just like to thank the house for this magnificent audience. I shall look forward to going into greater detail on some future occasion regarding the matter of parliamentary reform.

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

Mr. Fisher: Yes.

Mr. Deputy Speaker: The hon. member's time has expired and unless we have the unanimous consent of the house no question can be put to him about what he has said. Does the hon. member have unanimous consent to answer a question?

Some hon. Members: Agreed.

Mr. Churchill: Thank you. I just wanted to ask the hon. member if, despite what he said in his interesting speech, he does not consider he is running the danger of casting himself in a role of being a mere observer of the political scene? Does he not think he is running in his travels a great distance from the old C.C.F. party which was a stimulating force in this house, and that his group, if he really represents it, will likely become insignificant and unimportant in the House of Commons?

Mr. Fisher: There is no real answer to a question phrased that way, but I should like to point out to the hon. gentleman that if what he has been missing is partisanship or if he is missing a flaunting of the party program here I hope he feels I am not incapable of doing that.

I hope the hon. gentleman feels that given the kind of debate we have in which we have heard, not the stars of the party system but some of the more humble people in it, they would be interested in this somewhat philosophical discourse.

[Mr. Fisher.]

Mr. Reg Cantelon (Kindersley): Mr. Deputy Speaker, may I first associate myself with the many other members who have congratulated you, sir, and the Speaker on your elections to the important posts you both now occupy?

I would also like to congratulate the mover (Miss Jewett) and seconder (Mr. Choquette) of the address in reply to the speech from the throne, and also the numerous other members who in speaking in this debate have made, as I am making, their first speeches in what is, to us, the strange atmosphere of this chamber. I assure them that if they were not nervous, I am.

It is a pleasure and a great honour to represent the constituency of Kindersley, one of the finest farming areas in the province of Saskatchewan. It not only has some of the finest grain land in the province but it also has some very fine pasture land. The combination of these two gives us a great diversification in farming. However, this constituency is not only fortunate in that respect but in others as well. We are fortunate in having oil, gas and salt located in my constituency, and founded on that base the industrialization of the constituency, I am sure, is only a matter of time.

It is a pleasure to me, too, to represent this constituency since the constituency has had the very great honour of having the former member for the constituency, Mr. R. L. Hanbidge, appointed as lieutenant governor for the province of Saskatchewan, a position which I am sure you will agree, as is evident from the applause, he will fill with distinction and charm.

Kindersley constituency, then, not only has some of the best wheat growing land, as well as some of the finest pasture land in the province, but because it has this industrial base it is growing very rapidly. I have in my constituency two of the fastest growing towns in the province of Saskatchewan. In common with much of this area Kindersley constituency suffers from the usual growing pains. Fifty years ago Kindersley constituency was nothing but wilderness with a few railway lines snaking across that wilderness. Settlement followed these lines, so that these railway lines are today an extremely important part of the lives of my people. Therefore, we are much concerned about the talk of railway line abandonment. I was pleased to hear the Minister of Transport (Mr. McIlraith) say that careful consideration was being given to this matter. May I respectfully suggest to him that if, and I repeat if, these railway line abandonments are to be proceeded with, then his government must find satisfactory means of enabling the farmer to send his crop to market. Not only must this

be done, but it must be done at fair prices for the alternative transportation services which will have to be provided.

We have one other problem which we hope the government can assist in solving. While only general indications have been given as to what type and kind of project the municipal development fund will assist, I would hope that it might provide funds to solve the matter of water shortage which a number of related communities in my constituency are presently greatly concerned with. Without water even the oil, gas and salt in my constituency is going to have a great deal of trouble in producing the industrial growth and expansion which I am sure would otherwise occur, but which will be limited by water shortage.

In general, the philosophic basis of the speech from the throne is easy to agree with. Its brevity is not necessarily a source of weakness. However, I am compelled to agree with my colleague the hon. member for Parry Sound-Muskoka (Mr. Aiken) that the attempt in the address to spell out cures does so by multiplying the bureaucratic agencies, of which I am convinced we have enough today. I am also quite convinced that the people of Canada do not have much faith in the ability of a bureaucracy to solve their problems. Instead they want their government, through this parliament, to take effective and specific measures to do so. There seems little evidence of these measures in the speech from the throne, and what there are in some instances would indicate that sober second thought is needed.

I would in particular refer to the decision to appoint two ministers of agriculture. Without question this is an unpopular move in the west. The farm organizations have said so in very explicit and definite terms. I need repeat only one argument which seems incontrovertible. Two ministers will be one other factor dividing the country into regional blocs. Yesterday morning the Prime Minister (Mr. Pearson) refused to state whether there would be two departments, one for each minister. If there is and each is to have a department of his own, we have a proliferation of bureaucracy with, in my opinion, no increase in efficiency. If there is to be only one department, conflict will be certain to occur between the two heads, the two ministers of agriculture. However, we would all be prepared to accept gratefully two ministers of agriculture if they can do as good a job for the farmers as the former minister of agriculture did during the last five years. They have facing them an extremely difficult problem if they are to sell our grain. Every wheat grower hopes that they are successful in continuing the China wheat sales. However, if they do not do better for the farmer than this government has done in the new milk and milk products sales regulations, I am afraid that the wheat farmer is in for real trouble. The exposition of its weaknesses by the hon. member for Nicolet-Yamaska (Mr. Vincent) was masterful and he is to be commended for it. Even though this government does not like advice it would do well to heed his.

If the government is to sell our grain it will have to realize, as the Liberal government of 1956 failed to do, and as the past Conservative government did realize that the day of the seller's market in grain is gone. The seller must take every possible step to push sales. The last government succeeded. This government has already given evidence of its closed mind arrogance when it replied to the good advice of the previous minister of agriculture, as reported on a television interview, that it did not need advice from the last minister of agriculture, although there is no one better qualified to give such advice. There has been born into this world only one man who did not need advice from other men. This know-it-all attitude of the government does not give much hope for success.

The announcement of the Minister of Northern Affairs and National Resources (Mr. Laing) made prior to the opening of the house, that the government intended to use $10 million to provide 10,000 scholarships to university students is something that every educator in the dominion should welcome. Certainly I do. However, this welcome gesture is only that. It does not begin to cope with the two main problems facing the universities today—lack of accommodation and shortage of teaching personnel. These two problems can be solved and they will be solved by the universities themselves if they are given the necessary funds. And where are the universities to get this money, if it is not mostly supplied from the federal treasury? Yesterday morning the Prime Minister stated that the matter of university aid would be considered in relation to other financial needs of the country. This does not sound too hopeful for the universities.

Mr. Speaker, I should like to place on record some estimates of just what that need will be in the next few years. These estimates were supplied by the Canadian Teachers' Federation. In the academic year 1962-63 it is estimated that full time student enrolment in the universities will be 137,000. In 1965-66 it is estimated the enrolment will be 182,900. The operating expenses too, will rise per student. In 1962-63 the operating expense per student will be $1,797. There will be a regular increase each year, so that in 1965-66 the cost will have risen to $2,094. This will mean total

operating expenditures in the millions of dollars—$246 million in 1962-63 and $383 million in 1965-66. Thus the percentage increase each year over expenditures of the previous year will run from 15 to 17 per cent.

The estimate of the need with regard to teaching personnel indicates an equally serious situation. If one dips into the past for a year or two he finds that in 1955-56 there were 6,000 persons teaching in the universities, while in 1960-61 the number was 9,000, an increase of 50 per cent in five years. The projected need indicates that in 1965-66, there will be 14,000 required and in 1970-71, there will be 25,000.

I repeat that the universities themselves can solve these problems if they are given the money. Since people are any country's greatest resource, it is my contention that this assembly is morally bound to provide the university institutions with the necessary funds. The past government's method of making grants to the universities does not violate provincial rights since the federal parliament does not maintain any control over how the universities spend the moneys. These grants can be readily increased.

Not only are our universities in difficulties but our secondary schools also need comparable help. To see that the provinces receive this help without violating the principle of non-interference with their educational rights may be more difficult. But the old saying, where there is a will there is a way, is just as applicable today as it ever was. We should have that will. One way in which the past government provided help was by assisting in vocational education. In 1960 some $10,694,000 was provided to the provinces in this way. The statistics for the year 1961 have not been released but I believe a fair estimate would be something over $25 million. However, between April, 1961 and January 28, 1963 the federal share of co-operative projects in this field amounted to $292,800,000. This is worth-while aid. The present government should continue it. The poorest child in the poorest region of Canada is entitled to the best education this country can provide. We cannot afford to waste our human resources. I have only touched on this matter and I hope in the future to be able to expand upon it.

Some other members have expressed their beliefs as to their parties and what they think those parties stand for. I should like to conclude by stating what I think the Progressive Conservative party has demonstrated it stands for today. First, it stands for a united Canada. Second, it stands for equality of opportunity for all parts of Canada and equal rights for all peoples, races and religions in Canada. Third, it stands for Canada for Canadians. So long as it continues to support these principles I shall be proud to represent Kindersley as a member of the Progressive Conservative party.

[Mr. Cantelon.]

Mr. M. L. Klein (Cartier): Mr. Speaker, I should like to add my congratulations to those that have already been extended to the new Speaker and Deputy Speaker on their appointments. My constituency is one constituency removed from that of the Speaker, and I might tell the house that the Speaker has enjoyed the confidence of his constituents for many years. They are happy that this house now shares their sentiments and high regard for him. I also wish to add congratulations to the hon. member for Northumberland (Miss Jewett) and the hon. member for Lotbiniere (Mr. Choquette) on having set a very high standard of debate in this house.

I should like to take a moment to pay tribute to my predecessor, Mr. Leon Crestohl, who passed away some three days prior to the close of nominations. I may tell you, Mr. Speaker, that I campaigned in the constituency of Cartier and he was held in extremely high regard by his constituents. His passing is a loss not only to the constituency of Cartier but to Canada as well.

(Translation):

I have the honour of representing in this house the constituency of Cartier which is situated in the heart of Montreal, since St. Lawrence boulevard, which is the dividing line between east and west, crosses it from north to south.

Cartier is probably the most cosmopolitan riding in Canada, as several languages are spoken there. Almost half of my constituents are French speaking and the other half includes almost all ethnic groups.

All ethnic groups hope that the great French culture and the great English culture in our country will, as soon as possible, progress on an equal basis.

(Text):

The ethnic groups of Canada, who recognize the position held in this country by the French speaking and English speaking cultures, want to remind Canada that there is still a third culture in this country which may be called the multiculture of the ethnic groups. The ethnic groups now compose 25 per cent of the population of this country. When we admit immigrants to this country we are for the most part admitting the cream of the people of the countries from which they come, because it takes great courage for a man to pull up his roots and to emigrate to a foreign country.

He does not understand the language and he must enter into competition with the people there. These are the kind of people we want in Canada because when they build for themselves they help to build Canada.

It is true that it is a privilege for an immigrant to be allowed to enter Canada but this is not a one-way street because the immigrant or, for want of a better word, the new Canadian adds and contributes to the country. I submit that the United States of America entered upon its greatness when it allowed waves of immigrants to come into that coundepends in large part upon the successes of the laboratories and research departments such as are now being operated in the United States of America. I would venture to say that if it were not for the scientists of the ethnic groups there would have been no Manhattan project.

In 1933, Hitler came to power in Germany and by act of God or by act of providence, Franklin Delano Roosevelt became president of the United States. It was then that the struggle between good and evil commenced. It was at that time, Mr. Speaker, that the United States of America welcomed to its borders the great German scientist, Albert Einstein who, under the protective roof of Princeton University, brought forward the formula that gave birth to the atomic age. Then, an equally great refugee, a great Italian scientist, Enrico Fermi, who was a world Nobel prize winner in 1939 and who fled from fascism, established himself in the United States of America and set off in the University of Chicago in 1945 the first nuclear reaction. These two great refugees, these two neo-Americans, both came from a race that knew the meaning of persecution.

It is a fortunate thing, Mr. Speaker, that these two scientists found their way to the United States. Had they remained in their lands of origin, it is possible that the atomic age might have belonged to Hitler or, perhaps to Stalin. If that had been the case, instead of Nagasaki and Hiroshima, it might have been London, Paris, New York or Montreal.

I am somewhat dismayed by some of the speeches I have heard which practically deprecated the existence of the United States of America. If we are to count our blessings, surely one of those blessings is the fact we are located geographically north of the United States of America instead of geographically north of the Soviet union. Latvia, Estonia and Lithuania once existed north of the Soviet union, but they no longer exist. We have been saying to Europe for more than a century: why can't you live in Europe the way we live here in America? We live beside the United States of America. We have a common border of 3,000 miles, stretching from the Atlantic to the Pacific. There are no troops, no guns and no planes. To whom does the credit go, to us with 18 million people or to them with 180 million people? If the people of Lithuania, Estonia and Latvia could speak to us today, they would tell us how fortunate we are that we are living next door to the greatest, the finest, most powerful democracy in the world.

Some of us have been saying, in effect: Yankee, go home. Some of us have gone beyond the South American countries and have said, "Yankee go home, and take your Yankee dollar with you." They have said, "We do not want your magazines; we do not want your nuclear warheads; we do not want any part of your culture. We want very little of you, but for God's sake if we are attacked you must come and defend us." Prior to April 8, we were not popular in England. We were not popular in the United States. It would seem to me that the only places where we might have won a popularity contest were in Cuba or red China.

I say it is a great commentary, Mr. Speaker, upon the greatness of the democracy to the south of us that we can say whatever we want against the United States without fear of oppressive retaliation. Hungary had freedom for three days. The people spoke out against the Soviet union and the red tanks rolled back into Budapest. In 1945, when the war ended the United States possessed the most destructive weapon that has ever been possessed in the world. She had in her hands the power to possess any country that she wanted. She could have threatened the sovereignty of any country she wanted. She did not take one foot of soil belonging to any other country and did not touch one inch of sovereignty belonging to any other nation on this globe. This is the kind of nation we have to the south of us.

I would say, Mr. Speaker, it is a fact that is indisputable, that if any nation in the western world has sovereignty today, if England has sovereignty, if France has sovereignty, and even if Canada has sovereignty today, it is due to the great nuclear deterrent power of the United States of America.

In conclusion, Mr. Speaker, I would say that Canada should go forward in partnership with the United States, not as a satellite but as a partner, in this great North American adventure. God bless Canada, but God bless America too.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, this debate is in its final few minutes and I do not want to be the one to bring to a conclusion a discussion that has ranged over a very wide area of interests, domestic as well as external. The good book says that the last shall be first and the first shall be last. I should like to extend congratulations, for a very special reason, to the mover (Miss Jewett) of the address in reply to the speech from the throne. She represents a professional group in Canada that has appeared only recently in governmental circles at the national level. I refer, of course, to the members of the teaching profession, and particularly professional political scientists. I should like to extend congratulations to her on the quality of her presentation and also because she has given the lie to that old saw which is said to apply to those in the teaching profession, to the effect that those who can, do and those who cannot, teach. I think that her accession to this house is a very worthwhile innovation indeed.

I should like to extend my congratulations to you, Mr. Speaker. I want to take this opportunity to return a compliment that you extended to me and about which you have no doubt forgotten. When I first came to this house back in 1951, you were one of the first members to invite me to the parliamentary restaurant to give me a fatherly talk on the duties and responsibilities of members in this chamber. Those are little courtesies that one does not forget in the hurly-burly of parliamentary life. I must admit I did not take all of your advice on that occasion, but as you sit in the chair presiding over the deliberations of this house and holding in your custody the rights and privileges of all hon. members, I am sure I can agree with everyone else who has spoken along these lines, that you will discharge your responsibilities with the distinction you have shown in all the duties you have undertaken in the house.

Mr. Speaker, it has become obvious during this debate that one of the prime slogans of the new government, incidentally a slogan that was imported from abroad, "let's get the economy moving again," was a rather unfortunate one from the standpoint of the new government. I think it has become evident, in the course of the many speeches already made, that the economy was moving much faster and more programs were proceeding than the members of the new administration had realized, or at least had cared to admit.

I think the slogan was chosen because they had become bamboozled by their own propaganda which, time out of number, came out with slogans such as "The economy of Canada is sick," "We are confronted with runaway inflation," and that the former administration was stumbling and bumbling, or words to that effect. The stumbling and bumbling in the next few weeks will not apply to the administration that has just departed but to the new administration that has come in. I say that with modesty, because I realize there are tremendous problems confronting Canada, and any hon. member, whether he be a member of the government or not, has to recognize he is subject to all human foibles and there is no elixir of life, no universal solvent, that is going to resolve all the problems confronting Canada at present.

I am sure that very often in their quieter moments of meditation the new ministers—to paraphrase the title of one Broadway production that has been running for some time—have wished "Stop the world, I want to get off." I am sure some of them have had that same reaction to the rapid events and to the policies and programs they have taken over and for which they are now responsible.

So far as I can see, looking at the throne speech, the policies enunciated by the government thus far are either a continuation or an enlargement of programs and policies that were under way. In fact, if you look at it mathematically you find that the pieces of government legislation on the order paper to date number eight, whereas for the same period of the last parliamentary session there were 21 pieces of government legislation before the House of Commons. Yet these distinguished gentlemen who now occupy the treasury benches went about the country, either deliberately or deluded by their own propaganda techniques, telling the people of Canada that the former administration was a government of inaction without progress, without policy, without purpose.

I have been trying to imagine what might have persuaded the new administration to adopt this slogan "Let's get the economy going again," which resulted in the inevitable corollary—the famous 60 days of action. I believe such slogans resulted from a deep seated sense of guilt which has carried over from the period when members of the Liberal party last occupied the treasury benches. I quote as my authority in that respect none other than the leader of that party, the present Prime Minister, in the famous conclusion whereby he summed up the defeat of the government in 1957 when he said, in his typical choice of phraseology, the brass had got out of touch with the grass. The years of neglect, indifference and complacency had caught up with the previous administration, and returning to power on the waves of propaganda which largely constituted the last

election campaign, and now burdened with a sense of guilt for the lack of activity during their previous 22 years in office, they decided to try to make up for lost time, but there is an old saw which says more haste less speed. I am sure it has already been demonstrated to them that this is true.

We talk about the need of adjusting to the tremendous changes facing Canada and the world at the present time, but I would suggest that the time when Canada should have been adjusting to those changes was in the years immediately following world war II, and no amount of frenzied activity not connected with thought and planning is going to make up for the years that the locusts have eaten.

I have only time to deal with three areas which demonstrate that in this so-called program of getting the economy going again, this 60 days of decision, lack of careful foresight and planning is already evident. I shall deal first with the field of agriculture. It was obvious in the late forties and early fifties that our agricultural industry was faced with major problems, but the only answer we could get from the government of that day was that the farmers never had it so good, that all would be for the best in the best of all possible worlds. It was obvious then that there was a rural-urban drift under way, and this has now been recognized on all sides. The farmers were leaving their rural environment and moving to the new metropolitan communities. This now constitutes one of our major social problems, but nothing was done to assist in the adjustment to this fundamental process of social change. Mechanization was under way. The cost-price squeeze was one of the main reasons behind the rural-urban drift, but no action was taken to deal with it. There was educational rigidity and educational inadequacy, particularly in the rural communities.

The Liberal party talk about a government stumbling and fumbling, but in six years of Conservative administration the major problems that beset the agricultural community —and the well being of that community is basic to the national well being—were dealt with and the results are already evident. I do not have to go through the programs and the policies. The support of the rural communities is indicative of their endorsation of the programs that were speedily carried out. I know there is a tendency on the part of the pundits as well as the politicians to say that we now have a voting dichotomy in Canada between the rural and the urban community. But it is not a clearcut distinction of that kind. It is, rather, that the areas which were more susceptible to the propaganda techniques of the Liberal party reluctantly moved in that direction in sufficiently large numbers to give a moderate majority. But in the areas where programs of national development really count, where there were real problems of social adjustment, the voters of Canada soundly endorsed the policies of the former administration.

I should just like to refer to the ARDA program, the Agricultural Rehabilitation and Development Act. This is a major piece of legislation, arising out of the resources for tomorrow conference, which is going to transform the face of rural Canada as well as urban Canada in the next few years. It should have been undertaken at least a decade before it actually was dealt with. However, as I have already indicated, the immediate post-war years were marked with neglect, indifference and complacency. ARDA is just as broad as the people of Canada wish it to be. The most important aspect of ARDA is that it places the initiative in the hands of the local communities. No bureaucracy from the top can control the operations of ARDA. The program provides the legislative framework for local initiative to deal with local problems, alternative uses for land, new industrial activity in the transformation taking place in the rural communities, and retraining for the people who have been displaced in the great rural-urban drift that has been taking place during recent years.

What do we have substituted for this vigorous, visionary program? We have a plan to introduce two agricultural ministers in Canada. Mr. Speaker, I would say this is merely a political gimmick and will solve nothing. In fact it will only aggravate and intensify the problem, because agricultural matters in Canada, as is the case in other economic spheres, are indivisible; you cannot segregate or separate Canada into east and west in this regard.

Then I would refer to some of the statements made with regard to solving the wheat problem, the $2 a bushel wheat for example. I would point out that as the new government proceeds to implement this policy—and it is duty bound to do so because this was a solemn promise made during the election—they are going to wreak havoc in one of the major problem areas of the farming community in Canada; that is, to the preservation of the family farm. Their policy will have this effect because $2 a bushel wheat will give maximum support to the large farmer and minimum support to the smaller farmer, who is feeling the pressure of the cost-price squeeze at the moment. I say, Mr. Speaker, that a prosperous agricultural industry and a thriving agricultural community is still

basic to the welfare and the well being of Canada. The fact that this important sector of the economy was completely omitted from the speech from the throne is an indication of the new government's dereliction in this regard. I am sure that a good deal of the present economic upsurge can be traced to the increased purchasing power that has been made available by the successful agricultural program of the Conservative administration.

Mr. Speaker, there was no reference at all to the field of education in the speech from the throne. I would point out that we have had a crisis in education ever since the 1930's, and certainly since the end of world war II. Everybody used to talk about it and nobody did anything about it. When I first came into this house in 1951 it was impossible to have the subject even discussed intelligently because of the buck-passing technique, the log-rolling technique between the constitutional authority of Ottawa and the authority of the provinces which was resorted to by the former Liberal administration. They said this was a subject under the purview of the provinces and there was therefore no responsibility at the Ottawa level. The former administration moved vigorously in this field. We instituted the vocational and technical training program, grants to universities doubled, we gave construction assistance to institutions housing the important faculties of the humanities and social sciences. These have all been a long step forward. In the face of the presentation made by the representatives of the Canadian university foundation just the other day I would quote from the Gordon commission report to remind the new administration that if they are going to take vigorous and visionary action they must do something constructive and positive in this area of education. In other words they must follow up the programs already initiated by the former Conservative administration. I quote from the Gordon commission report:

> It is our duty . . . to point out most emphatically that it is vitally important to Canada's future for the status of our universities to be improved and strengthened, and for their facilities to be increased . . . In this connection it must suffice us to express the strong opinion that no government which bears any share of responsibility for the future economic development of this country can allow a solution to the pressing financial problems of the universities to go by default.

I would remind the new government, and particularly its Minister of Finance, of their responsibilities in this respect. During the recent election campaign the Prime Minister (Mr. Pearson) visited my constituency. I regret to say that he was not extended the hospitality for which western Canada is noted.

Some hon. Members: Shame.

[Mr. Dinsdale.]

Mr. Dinsdale: I had nothing to do with it. In order to get into the mood of the occasion I wore a lovely, red trapper's coat just to show that everything was impartial and on a very high level. But the Prime Minister made the unfortunate mistake of holding his reception in the new building in Brandon College which had been provided by the forward looking educational assistance programs of the Conservative administration. He was there making promises about federal aid to education, about university scholarships and about all sorts of wonderful things that were going to happen in the field of education. I wish there had been some reference to this in the speech from the throne. Mr. Speaker, Brandon College, like other institutions of higher learning, languished for many years following world war II. That building in the city of Brandon in which the Prime Minister spoke was the first to be built under the construction grants program that had been made possible by the former administration.

Mr. Pearson: That is not what the college told me.

Mr. Dinsdale: I personally had the privilege, Mr. Speaker, of turning the sod. I must bring my remarks to a conclusion. Right across the board, right across the whole gamut of educational activity in Manitoba there has been a wonderful transformation. This has been made possible by the increased amount of federal grants to the provincial government, which have gone up from $8 million to $45 million in Manitoba, resulting in many more millions of dollars being poured into the economy of the province. I speak of Manitoba because it is my native province. Vigorous and visionary programs of this kind constitute the reason why the present premier of Manitoba made the statement he did in the course of the last election campaign, namely that the former Conservative government had done more for the province of Manitoba than any previous administration.

Let me conclude by reminding hon. gentlemen in the government that parties are measured not by words, not by slogans, but by accomplishments. We on this side have an excellent record to present to the people of Canada in this respect. However, we make this final admonition. The nation is more important than the party, and I assure hon. gentlemen opposite that during all the deliberations of the present parliament, whether they be short or long, we on this side of the house will always place the welfare of the country above the welfare of the party. It is for this reason that the Conservative party down through the years has become identified

as the party which has done most to bring about national development and a greater sense of national unity.

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

Some hon. Members: Question.

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

Mr. Churchill: On division.

Motion (Miss Jewett) agreed to, on division.

Right Hon. L. B. Pearson (Prime Minister) moved:

That the address be engrossed and presented to His Excellency the Governor General by such members of this house as are of the honourable the privy council.

Motion agreed to.

SUPPLY

APPOINTMENT OF COMMITTEE

Right Hon. L. B. Pearson (Prime Minister) moved:

That this house at the next sitting will resolve itself into a committee to consider of the supply to be granted to Her Majesty.

Motion agreed to.

WAYS AND MEANS

APPOINTMENT OF COMMITTEE

Right Hon. L. B. Pearson (Prime Minister) moved:

That this house will at the next sitting resolve itself into a committee to consider of the ways and means for raising the supply to be granted to Her Majesty.

Motion agreed to.

BUSINESS OF THE HOUSE

Mr. Pickersgill: I hope it will not be suggested by any hon. member that I am seeking to take away any of the rights of private members if I propose that at ten minutes before six o'clock, at the end of this debate, we do not embark upon private members' motions, which I believe would be the next item of business, but that Your Honour see it is six o'clock.

Perhaps before Your Honour looks at the clock I can say that in conformity with the announcement I made last Thursday night it would be the desire of the government to take up as a first item of business tomorrow the motion standing in the name of my right hon. friend the Prime Minister for the setting up of a committee on defence. Perhaps we might also have agreement, since there is agreement among all parties on this, that this motion could be amended without a formal motion to do so being made by my right hon. friend, to read "24 members" instead of "18 members" when it is taken up tomorrow.

If the debate on that motion should be concluded before the end of the day, the government would like to go ahead with the motion preceding the bill to set up the economic council of Canada. Should both these items be disposed of, the next item would be the resolution preceding the bill to set up the department of industry, and the next, the resolution respecting the Department of Agriculture.

I think that is as far as I should go, perhaps, in outlining business for tomorrow. As I announced last week, on Friday the Minister of Finance will be asking hon. members to grant to Her Majesty two months' supply both of the regular and of the supplementary estimates tabled earlier today. Once this has been disposed of—and, of course, having regard to the views expressed by the hon. member for Digby-Annapolis-Kings in the last parliament we would expect that to take a very few minutes—the government would then proceed in the order I suggested for tomorrow with the items of government business on Friday.

Mr. Churchill: Mr. Speaker, the house leader has given us an outline of the business, but I think he is going to run out of items very quickly. This is the tenth day of this parliament. There are only eight items of government business on the order paper. Last year on the tenth day we had 21 items.

Mr. Pickersgill: Mr. Speaker, I do not know whether I can speak for the government on this, but I express the earnest hope that we will run out of that business very quickly indeed, and I invite the co-operation of hon. members on the other side of the house in running out of that business. I can assure the hon. member for Winnipeg South Centre (Mr. Churchill) that when that business is disposed of there will be plenty more to follow.

Mr. Nowlan: Mr. Speaker, perhaps on Friday the hon. member for Digby-Annapolis-Kings might have learned words of wisdom from the hon. member, now the Secretary of State, and will repeat some of the statements he made when we were dealing with interim supply.

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

APPENDIX "A"

EXPLANATORY NOTES RELATING TO 1963-64 ESTIMATES AND TABLES

Table I is self-explanatory.

Table II gives a departmental analysis of the budgetary main estimates in three main categories:

(a) Administration and operation,
(b) Buildings, works and equipment, (i.e. capital items), and
(c) Grants, subsidies and other items.

Parliament is also being asked to authorize the disbursement of moneys for loans, investments and advances (which add to the government's active assets) in the total of $218,197,663 in addition to those advances which are made under continuing authority.

Not included in the totals mentioned above, but noted on page 5 of the estimates blue book for information, is the forecast of old age security pension payments amounting to $755,000,000. These pensions are not treated as budgetary expenditures since they are payable out of the old age security fund into which are placed the income, sales and corporation taxes levied for that purpose.

TABLE I

Total Budgetary Estimates
(in millions of dollars)

	Main estimates	Supplementary estimates	Final supplementary estimates	Total
1963-64	6,314.7	230.8		
1962-63	6,048.2*	181.0	**	—
1961-62	6,123.8	355.8	122.8	6,602.4
1960-61	5,732.2	169.9	178.2	6,080.3
1959-60	5,595.9	86.1	116.8	5,798.8
1958-59	5,178.8	144.8	282.8	5,606.4
1957-58	4,827.6	145.3	187.6	5,088.8***
1956-57	4,526.1	153.5	89.8	4,769.4
1955-56	4,360.2	114.1	22.3	4,496.6
1954-55	4,491.8	22.0	50.8	4,564.6

*This is the total of the revised estimates, 1962-63, tabled October 18, 1962. The main estimates, 1962-63, which they replaced, totalled $6,276.2 million.

**Final supplementary estimates for 1962-63 were not tabled prior to the dissolution of parliament. Certain additional items were covered by Governor General's warrants in February and March.

***This total is the amount appropriated for 1957-58. It is $71.7 million less than the amounts of the tabled estimates due to year-end financing by Governor General's warrants.

TABLE II

MAIN ESTIMATES (BUDGETARY) FOR 1963-64 AS COMPARED WITH REVISED ESTIMATES FOR 1962-63
(in millions of dollars)

	Administration and Operation		Buildings, Works and Equipment		Grants, Subsidies and other Items		Total Estimates	
	1963-64	1962-63	1963-64	1962-63	1963-64	1962-63	1963-64	1962-63
Agriculture	64.5	64.1	27.4	28.8	79.8	62.4	171.8	155.4
Atomic energy	31.6	28.8	13.5	8.4	0.9	0.8	46.0	38.0
Auditor general's office	1.3	1.3	—	—	—	—	1.3	1.3
Board of broadcast governors	0.3	0.3	—	—	—	—	0.3	0.3
C.B.C.	1.9	1.8	—	—	85.8	80.6	87.6	82.4
Chief electoral officer	0.1	0.1	—	—	—	—	0.1	0.1
Citizenship and immigration	58.2	55.8	9.3	9.3	—	—	67.5	65.2
Civil service commission	5.0	4.5	—	—	—	—	5.0	4.5
External Affairs—								
Department	22.4	21.2	2.5	1.7	65.9	62.6	90.8	85.4
International joint commission	0.2	0.1	—	—	—	—	0.2	0.1
Finance	146.7	129.5	0.2	0.1	1,156.1	1,079.1	1,303.0	1,208.6
Fisheries	20.3	19.1	2.1	3.9	1.2	1.4	23.6	24.5
Forestry	7.6	7.5	1.1	0.9	7.9	8.1	16.7	16.6
Governor General	0.5	0.5	—	—	—	—	0.5	0.5
Insurance	0.8	0.8	—	—	—	—	0.8	0.8
Justice—								
Department	10.1	9.9	—	—	—	—	10.1	9.9
Penitentiaries	20.8	19.4	10.0	7.7	—	—	30.7	27.2
Labour—								
Department	7.9	7.8	—	—	109.5	105.0	117.4	112.8
U.I.C.	45.4	47.3	—	—	58.0	57.5	103.4	104.8
Legislation	8.9	8.5	—	—	—	—	8.9	8.5
Mines and technical surveys—								
Department	29.1	28.4	4.8	7.4	12.1	12.1	46.0	48.0
Dominion coal board	0.1	0.1	—	—	16.6	17.6	16.7	17.7
National film board	5.3	5.2	0.2	0.2	—	—	5.5	5.4
National gallery	1.1	1.1	—	—	—	—	1.1	1.1
National health and welfare	45.1	44.7	2.3	1.9	1,157.5	1,053.1	1,204.9	1,099.7
National research council	40.7	36.5	3.2	2.6	1.9	1.0	45.9	40.1

	Administration and Operation		Buildings, Works and Equipment		Grants, Subsidies and other Items		Total Estimates	
	1963–64	1962–63	1963–64	1962–63	1963–64	1962–63	1963–64	1962–63
National revenue	78.3	77.1	0.3	0.3	—	—	78.6	77.5
Northern affairs and national resources	33.0	32.4	28.8	30.6	22.1	17.7	83.9	80.7
Post office	191.5	190.2	—	—	—	—	191.5	190.2
Privy council	4.0	3.4	4.9	2.6	7.3	1.0	16.2	7.0
Public archives and national library—								
Public archives	0.7	0.7	—	—	—	—	0.7	0.7
National library	0.4	0.4	—	—	—	—	0.4	0.4
Public printing and stationery	4.1	3.7	0.1	0.1	—	—	4.2	3.8
Public works	80.4	80.9	58.3	60.9	40.0	50.0	178.7	191.8
R.C.M.P.	60.4	59.2	3.1	3.3	—	—	63.4	62.5
Secretary of state	4.9	5.0	—	—	—	—	4.9	5.0
Trade and commerce—								
Department	31.9	28.3	0.1	0.1	—	—	32.0	28.4
General	0.8	0.6	—	—	—	—	0.8	0.6
Transport—								
Department	124.5	116.9	76.9	97.5	50.2	38.9	251.6	25.34
Air transport board	0.6	0.6	—	—	—	—	0.6	0.6
Board of transport commissioners	1.3	1.3	—	—	12.1	12.8	13.4	14.1
Canadian maritime commission	0.3	0.3	—	—	26.4	17.1	26.7	17.4
National harbours board	—	—	3.1	5.2	—	—	3.1	5.2
St. Lawrence seaway authority	2.8	2.1	—	—	—	—	2.8	2.1
Veterans affairs	63.6	63.6	2.6	2.5	269.6	265.2	335.9	331.4
TOTAL, CIVIL DEPARTMENTS	1,259.4	1,211.3	254.8	276.4	3,181.0	2,944.1	4,695.2	4,431.8
Defence production—								
Department	22.8	18.4	—	—	—	—	22.8	18.4
Crown companies	6.3	6.8	0.4	0.4	—	—	6.7	7.2
National defence	1,227.5	1,209.3	328.4	347.2	34.1	34.3	1,590.0	1,590.8
TOTAL, DEFENCE DEPARTMENTS	1,256.6	1,234.5	328.8	347.6	34.1	34.3	1,619.5	1,616.4
TOTAL, BUDGETARY ESTIMATES	2,516.0	2,445.8	583.6	624.0	3,215.1	2,978.4	6,314.7	6,048.2

(Details do not necessarily add to totals, due to rounding.)

HOUSE OF COMMONS

Thursday, May 30, 1963

The house met at 2.30 p.m.

AIR TRANSPORT

TABLING OF SUMMARY OF PLANNING AND PROGRAMMING REPORT

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, I beg leave to table copies in English and French, of a document entitled "Canada in the Jet Age", which is a report prepared by the air services branch of the Department of Transport on growth and requirements of the civil aviation, telecommunications and meteorological branches of the department over the next ten years.

This document is a summary of a very detailed and extensive planning and programming report which has been prepared by the air services branch, but because I think all hon. members will be greatly interested in it I am arranging to have copies provided to them. I should add that this, of course, is not a statement of approved government programs but is basically a planning document to assist our forward thinking.

Mr. Speaker: Has the hon. minister leave to table the document?

Some hon. Members: Agreed.

ENERGY

REQUEST FOR STATEMENT ON DISCUSSIONS WITH U.S.

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce. Would the minister inform the house of the results of his talks with United States officials concerning energy resources and, in particular, whether the U.S. officials have expressed concern at the size of Canadian gas and oil shipments to that country?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, on Monday I visited Washington as part of a regular program of visits to our principal trading partners. During the course of the visit I met with various officials of the United States government, including Secretary Harriman, Secretary Udall, under secretary George Ball, assistant secretaries Kelly and Johnson and other officials of the state and interior departments. We discussed mutual problems of trade and development consequent upon the recent GATT discussions at Geneva, where we supported the United States initiative toward trade liberalization. We also discussed matters pertaining to energy in all its forms, on a basis of mutual interest and development. I should make it clear, however, that our discussions did not include any conversations concerning the Columbia river treaty.

I proposed to the Americans that our two countries initiate and undertake joint studies concerning the development of all forms of energy—oil, natural gas, coal, electricity and nuclear power—in which our interests increasingly intertwine. I found our American friends interested in and receptive to the suggestion, and I hope that preliminary discussions will begin in the near future.

As to oil, we also discussed the prospective growth of Canadian exports in the light of United States import control policy. I am sure all hon. members are aware that from time to time since the national oil policy came into effect, American officials have expressed concern about a too rapid rate of growth of our exports of oil to the United States. They reiterated this concern at our meeting on Monday.

The discussions were conducted in a friendly atmosphere and I believe that the outcome will be mutually satisfactory.

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, the fact that the minister made this statement on orders of the day limits the ability of the opposition to make any comments on it. Therefore I will have to use the technique of asking a question or two, if I may, to clarify the statement he just made.

My first question is this. In this discussion with the United States were gas imports from Canada to the United States considered in their relationship to oil imports?

Mr. Sharp: Mr. Speaker, as I said in my statement, we discussed the whole field of energy, which included gas, of course. It related to oil, nuclear energy and the whole field of energy.

Mr. Douglas: I have a supplementary question, Mr. Speaker. Is any special provision being made to protect Canadian shipments

into the Minneapolis-St. Paul area of medium gravity oil which, having a sulphur content, are not easily sold in Canada?

Mr. Sharp: We did not discuss that problem specifically, Mr. Speaker.

NATIONAL DEFENCE

FLIGHTS OVER CANADA BY U.S. NUCLEAR ARMED AIRCRAFT

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. In view of press reports of today can the Prime Minister say whether the strategic air command of the United States is now permitted to fly aircraft carrying nuclear weapons over Canadian soil without prior consultation with the Canadian government.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I have not seen the press reports to which my hon. friend refers, but it is my view that there has been no change in the situation in that regard since this government took office. The situation prior to this government taking office was that every flight of that kind had to receive the permission of the Canadian government.

Mr. Knowles: A supplementary question, Mr. Speaker. Have there been any such flights with prior consultation since this government came into office?

Mr. Pearson: I cannot answer that question, Mr. Speaker, but I will secure the information.

Hon. Gordon Churchill (Winnipeg South Centre): A supplementary question, Mr. Speaker. The Minister of National Defence should be able to answer the question.

[*Later:*]

Hon. D. S. Harkness (Calgary North): I should like to direct a question to the Minister of National Defence. My question relates to questions and answers earlier this afternoon about strategic air command flights over Canada. I should like to ask the minister if, during the past month, he has signed the usual authorization for those flights. If he has not signed them, for what reason has he not done so?

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, as the hon. gentleman is aware, under the existing agreement between the government of Canada and the government of the United States, it is the responsibility of the Minister of National Defence to authorize monthly the arrangements between the United States air force and the Department of National Defence. This has been done in the usual way.

[*Later:*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker my question is supplementary to the one which the hon. member for Calgary North asked the Minister of National Defence just a few minutes ago. During the 38 days the minister has been in office, how many flights over Canadian territory of S.A.C. aircraft with nuclear weapons has he authorized?

Mr. Hellyer: Mr. Speaker, it has not been the practice in the past nor do I think it would be in the public interest to give the exact number of such flights.

CONSTRUCTION OF FRIGATES FOR CANADIAN NAVY

On the orders of the day:

Hon. Leon Balcer (Three Rivers): I should like to address a question to the Minister of National Defence. I wonder if the minister could tell us whether it is the intention of the government to go ahead with the building of three new frigates for the Canadian navy.

Hon. Paul Hellyer (Minister of National Defence): As has already been stated by myself and by several of my colleagues, these questions are under review at the present time.

NORAD—REPORTED ELECTION COMMENTS BY R.C.A.F. OFFICER

On the orders of the day:

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, I have a question for the Minister of National Defence. Will the minister inform the house which R.C.A.F. officer at Colorado Springs made comments on the recent election campaign, as reported by Jean-Paul Charbonneau in *Le Droit* of Wednesday, May 29? Will the minister take steps to have such political statements by service officers cease?

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, I should like to thank the hon. member for advising me of his intention to ask this question. Unfortunately I have not had a chance to look into the matter yet, and I should like to take the question as notice.

(Translation):

NORAD—REPORTED REQUEST FOR INCREASE IN CANADIAN FORCE

On the orders of the day:

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I should like to direct a question to the Minister of National Defence.

Could the minister tell the house whether the government has received a request from the authorities in Washington to increase, in men or equipment, the Canadian NORAD contingent?

(Text):

Hon. Paul Hellyer (Minister of National Defence): I am sorry, Mr. Speaker, I did not hear the first part of the question. Did the hon. member say "when a decision"?

Mr. Martineau: I asked the minister whether the government had received a request from the authorities in Washington to increase, in men or equipment, the Canadian NORAD contingent?

Mr. Hellyer: As I said yesterday, no such request has yet been received.

PUBLIC SERVICE

EXTENSION OF SALARY INCREASES TO RECENTLY RETIRED CIVIL SERVANTS

On the orders of the day:

Hon. D. S. Harkness (Calgary North): Mr. Speaker, may I direct a question to the Minister of Finance. It refers to the answer given by the minister to the hon. member for Winnipeg North Centre (Mr. Knowles) on Monday last concerning retroactive pay increases to those former civil servants who retired after the date the pay increases were made effective, but before they were actually announced.

My question is, will consideration also be given to retroactive pay increases to those civil servants who transferred to the public service within the same period and under the same circumstances as outlined?

Hon. Walter L. Gordon (Minister of Finance): Consideration will be given to the whole question, Mr. Speaker.

SUGAR

REQUEST FOR PROMOTION OF GREATER DOMESTIC PRODUCTION

On the orders of the day:

Mr. W. H. A. Thomas (Middlesex West): Mr. Speaker, I should like to ask a question of the Minister of Trade and Commerce. It has some bearing also on agriculture, but I think it has more bearing on the Department of Trade and Commerce.

In view of the world sugar shortage, the need for more employment in Canada and the need to conserve foreign exchange, will the government give consideration to promoting increased domestic production of sugar through safeguarding the future of the sugar beet industry by adjusting the level of price supports, as requested by the Canadian beet growers association and the Canadian Federation of Agriculture?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, as the hon. gentleman said, this question relates partly to the Department of Agriculture. However, I thought the house would be interested to know that partly as a result of the increases in price that have taken place recently the average acreage in sugar beet, which was around an average of 85,000 acres, is likely this year to rise to 110,000 or 115,000 acres. The other part of the question about price supports should, of course, be directed to the Minister of Agriculture.

Mr. Jim McNulty (Lincoln): I should like to address a question to the Minister of Trade and Commerce. In view of the detrimental effect which increased sugar prices have on the canning industry, and ultimately the consumer, and in view of the urgent need for an increase in the present source of supply, would the minister inform the house if his department is currently working on this critical problem of national interest and, if so, what steps are being taken to alleviate or remedy the situation?

Mr. Sharp: I have been looking into this question of the supply of sugar, and as far as I can ascertain supplies in Canada are normal. Stocks are at least normal; in fact they have increased somewhat. Import receipts are running at about the same level as last year, and I know of no difficulties which ought to arise as a result of shortage of supply.

The question of price is, of course, a different matter, but as far as the supply is concerned, as I understand the situation, it is adequate and is likely to remain so for all normal purposes in Canada.

[*Later:*]

Mr. D. V. Pugh (Okanagan Boundary): Mr. Speaker, I have a further question for the Minister of Trade and Commerce. Would the minister elaborate on the sugar question, and has he asked for information from his department and other government departments as to the amount of the rise in the cost of living index which the recent increases in sugar prices will occasion?

Mr. Sharp: Mr. Speaker, I did make some general inquiries of this kind, but I really do not have the information in a form that I can answer this particular question. If the hon. member would like me to get some percentage figures as to the effect of sugar prices on the cost of living index, I would be very happy to do so.

Inquiries of the Ministry

FINANCE

INQUIRY AS TO LEGISLATION TO AID SMALL BUSINESSES

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I should like to address a question to the Minister of Justice and ask whether it is the intention of himself and the government to introduce amendments to legislation under his jurisdiction which would strengthen the competitive position of small businesses in Canada.

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, I do not know that legislation of that nature falls within the purview of the Minister of Justice, but I will look into it. In any event, if such legislation is to be introduced, it will be announced in the usual manner.

SPEECH BY PRIME MINISTER RESPECTING MUNICIPAL LOAN FUND

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): I wish to direct a question to the Prime Minister arising out of what appear to be contradictions with respect to an address he gave last night to a meeting of the Canadian federation of mayors and municipalities. The right hon. gentleman is reported to have said he could not reveal or discuss details of the government's proposals with respect to the municipal development loan board and loan fund, but he then proceeded to give many, if not all, of the details of these proposals.

Right Hon. L. B. Pearson (Prime Minister): No, I did not give the details of this legislation which would properly be given in this house. I mentioned the proposed figure of $400 million, but that is in the resolution which is now on the order paper.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): After the statement just made by the Prime Minister I should like to point out what he did say, and ask him why it was that parliament has been—

Some hon. Members: Question.

Some hon. Members: Closure.

Mr. Diefenbaker: I will read a summary of what the Prime Minister said last evening, information which was denied to parliament.

Some hon. Members: Oh, oh.

An hon. Member: Obey the rules.

Mr. Speaker: Order I would think the Leader of the Opposition is entitled to pose his question.

Some hon. Members: Hear, hear.

[Mr. Sharp.]

Mr. Diefenbaker: I will summarize what he said. First, that the projects will have the benefit of a fund totalling $400 million. Second, that if they are completed within a specified period the federal government will forgive a significant portion of the capital amount of the loan. Third, that in order to finance additional municipal investments in projects which are important and useful—

Mr. Pickersgill: I am rising on a point of order.

Some hon. Members: Closure.

Mr. Pickersgill: My point of order is very simple. It is this. At this time of day it is permitted to ask questions, but the right hon. gentleman is not asking questions. He is reading from the text of a speech which the Prime Minister delivered last evening. If he wishes to read a brief paragraph as a prelude to a question, it seems to me that would be in order, but I believe the same rules should apply to the right hon. gentleman that apply to other members of the house.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: We are always glad to have the help of the hon. gentleman who is an expert on closure and the denial of freedom of speech. I rise, now, on a question of privilege affecting the House of Commons. The Prime Minister last evening dealt with the two items to which I have referred and then went on to say:

> We are offering to finance additional municipal investment in projects that are important and useful but which would not otherwise be undertaken in the next two or three years because of their financial burden—
>
> Provided that there is this acceleration of programs, the loans will be available for a wide range of municipal purposes, with emphasis on major facilities and trunk services.

Finally he said:

> The administration of the new program will be carried on in conjunction with Central Mortgage and Housing Corporation—

and so on. Mr. Speaker, I intended to ask the Prime Minister why these things of which information was denied when inquiry was made in this house, were made available outside the house. I would point out that this is another example of the contempt of this house which has been shown by this government.

Mr. Pearson: Mr. Speaker, the prime minister began by raising—

Some hon. Members: Oh, oh.

Mr. Pearson: The former prime minister, I should have said, who should know better, began by raising a question of privilege which was not a question of privilege at all, and then ended up by asking me a

question. I would ask him to make up his mind on what he was talking about when on his feet, whether it was a question of privilege or asking a question. The right hon. gentleman has raised this question and I am grateful to him for giving further publicity to my speech last night which I gave in Toronto, and in reading from that speech. It is good to know that he was not reading from a forged document.

Mr. Speaker, the right hon. gentleman's point is that I spoke inappropriately outside the house on a matter which is on the order paper. Therefore to dispose of this matter I think I should put on the record the resolution on this question and show into what detail that resolution went and how I followed it in my remarks last night. I must apologize for taking up the time of the house, but it is necessary in the circumstances. The resolution reads:

That it is expedient to introduce a measure to promote increased employment in Canada by the provision of financial assistance by way of loans to municipalities, the object of such loans being to enable municipalities to augment or accelerate their capital works programs subject to the approval of the provinces concerned; and for this purpose to provide a special fund in the consolidated revenue fund not exceeding four hundred million dollars to be available for the making of loans to municipalities and certain other municipal authorities for specific municipal capital works projects; to establish a municipal development and loan board to administer the fund so provided; to authorize the acceptance of municipal debentures for any loans so made; to authorize a measure of forgiveness in respect of any loans so made, depending upon the date of completion of the projects for which such loans are made; and to provide further for other related and incidental matters.

Mr. Speaker, this resolution was on the order paper and this was the burden of my remarks last night.

Mr. Diefenbaker: Mr. Speaker, no answer is given about the information to which I objected being given outside of this house, and I repeat that the answer shows exactly the contempt of this parliament which I have alleged.

QUEBEC—REQUEST FOR LARGER SHARE OF TAXES

On the orders of the day:

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I should like to direct a question to the Minister of Finance. Does the minister consider the taxation demands made by Premier Lesage in Quebec last night as minimum demands for the moment, or does he consider them to be negotiable? If the minister considers them to be negotiable, can he tell whether negotiations are under way and what progress has been made?

Inquiries of the Ministry

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, when the Minister of Finance has anything to say on the subject of federal-provincial taxation agreements, he will do so in his own time.

Some hon. Members: Oh, oh.

An hon. Member: Arrogance.

TRANSFER OF GOVERNMENT ADVERTISING ACCOUNT

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I would like to address a question to the Minister of Finance arising out of his stated interest in paring some costs. I ask him whether there will be any substantial savings to be effected by the transfer of a large government advertising account from McKim Advertising Associates to MacLaren Advertising Company Limited?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I would hope so.

INQUIRY AS TO REPORTED BANK MERGER

On the orders of the day:

Mr. Donald MacInnis (Cape Breton South): Mr. Speaker, I wish to direct a question to the Minister of Finance. Has the minister or his department received any report of a possible merger between the Bank of Nova Scotia and the Toronto-Dominion Bank?

Hon. Walter L. Gordon (Minister of Finance): No, Mr. Speaker.

(Translation):

[*Later:*]

CONTINUATION OF DOLLAR DISCOUNT

On the orders of the day:

Mr. Georges Valade (St. Mary): Mr. Speaker, may I direct a question to the Minister of Trade and Commerce? Has the minister the intention of urging his colleague the Minister of Finance to maintain the Canadian dollar at a discount in order to keep our foreign trade in its present favourable position?

(Text):

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I do not think the Minister of Finance needs any advice from me on such matters.

(Translation):

LOTTERIES

ACTION TAKEN ON REQUEST OF QUEBEC PREMIER

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to put a question to the Minister of Justice. Could

he tell us whether he has started to study the file relating to lotteries in order to comply with Mr. Lesage's request as soon as possible?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, I have nothing to add to the answer I gave to this question some time ago.

Mr. Pigeon: A supplementary question, Mr. Speaker. Could the minister tell us whether he is keenly interested in Mr. Lesage's request?

Mr. Chevrier: Mr. Speaker, I am keenly interested in all requests made by the province of Quebec, especially those submitted by the Quebec premier.

(Text):

GRAIN

OATS AND BARLEY—INQUIRY AS TO INITIAL PRICES

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for the Minister of Agriculture. On Wednesday, May 22, I directed a question to the minister with regard to the prices for oats and barley, at which time he said he would take the question as notice. Can the minister supply me with the answer today?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, the hon. member will have to give me the question again. My machine is not working.

Some hon. Members: Oh, oh.

An hon. Member: Which machine?

Mr. Korchinski: On Wednesday, May 22, I directed a question to the Minister of Agriculture with regard to higher prices for oats and barley, which we were led to believe would be announced in the House of Commons. Does the Minister of Agriculture have a reply for me today?

Mr. Hays: Mr. Speaker, I do not remember ever saying that prices for oats and barley were going to be made higher by this government. I fail to see that the question has anything to do with the prices of oats and barley or what they will be in the fall or at any time.

Mr. Korchinski: I was referring to a pamphlet put out by the Liberal party during the campaign. A supplementary question—

Mr. Speaker: What is the hon. member's question, please? Will he put it?

Mr. Korchinski: The Minister of Agriculture said the other day that he would take my question as notice and give me a reply. May I now ask a supplementary question. In view of the hundreds of thousands of producers and the thousands of feeders who may be affected by the reply the Minister of Agriculture will give, will he take time off from his busy auctioneering schedule to give this matter consideration?

AIR TRANSPORT

CANADIAN AGREEMENT TO FARE INCREASES ON ATLANTIC ROUTE

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to ask the Minister of Transport a question. In view of the reported dissatisfaction of the Canadian air authority with the increases in air fares on the Atlantic route, can the minister tell us why our authority agreed to or negotiated such an increase as was announced last night?

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, the authority did not negotiate such an increase. What happened was that last fall the international air line companies had a meeting in Arizona, where an agreement was made to increase fares. Our air transport authority did not agree to those fare increases. There were further meetings as a consequence of the failure of the air transport board, the Canadian government air authority, and the United States authorities to agree to the increases.

This further conference of the air line companies took place in Bermuda and was continued in Montreal last Friday, when a compromise was reached. I hope to put the details of the compromise on record in a moment, and it goes into operation on June 1. These new compromise fares were approved by the air transport board.

Perhaps I should put the actual details of the increase on record. The higher fares agreed to by the companies last fall, called the Chandler fares, become effective on June 1 and remain effective until July 15, 1963. From July 16, 1963, the one way economy class fares will be reduced by $7, and the entire agreement expires on March 31, 1964. The net effect could perhaps be best illustrated by giving a few figures. The Chandler fare increase on a north Atlantic round trip would amount to about $27. The new fares that were agreed to, and which have now been approved, involve an increase of about $13.

Mr. Fisher: May I ask a supplementary question. In view of the fact that several members as well as myself were led to believe the Canadian authorities were going to stick to their position, I wonder if the

minister could tell us the factors that led them to negotiate a compromise instead of holding to their position which, as the minister said, was quite legal and would have resulted in our air carriers having the low fares on the Atlantic route.

Mr. McIlraith: Perhaps it would not be satisfactory to give a full answer on orders of the day; perhaps the answer should be more carefully worked out. However, I should indicate very clearly that for Canada to maintain its position on the old rates when all the air line companies and all the other countries had agreed to the compromise would have presented great difficulty and created chaotic conditions in the operation of international air lines. In addition, apparently the hon. member missed the significance of the fact that this new agreement expires on March 31, 1964, and this will afford an opportunity of perfecting the machinery for fixing these international air rates before the expiry of the agreement. I believe the hon. member will agree that is a most fortunate thing.

Mr. Fisher: May I ask a supplementary question. Will it be possible for Canada to revert to its original position at the end of the time mentioned by the minister?

Mr. McIlraith: We hope to get lower fares.

IMMIGRATION

WELDON CHAN—STATEMENT ON ADMISSION AS LANDED IMMIGRANT

On the orders of the day:

Hon. Guy Favreau (Minister of Citizenship and Immigration): I should like now, Mr. Speaker, to answer the question put yesterday by the hon. member for Skeena, which followed a similar question asked last week by the hon. member for Vancouver-Burrard, concerning one Weldon Chan.

As hon. members will recall, Weldon Chan, a Chinese gentleman, came to Canada in 1958 as a visitor with his wife and their three year old daughter. They were to stay with Mrs. Chan's father in Vancouver for a few months. Chan subsequently applied to be admitted as a landed immigrant. His application was denied by an immigration board of inquiry, and on May 8, 1959, he and his family were ordered deported. An application to the immigration appeal board was dismissed, and the matter was subsequently reviewed by the the then minister of immigration who declined to quash the deportation order.

In order to avoid deportation, Chan went into hiding. His wife and daughter remained with Mrs. Chan's father in Vancouver, and no attempt appears to have been made since that time to deport the wife and daughter.

I have now had the chance to review the matter fully and to reach a decision in the light of all present factors and circumstances. Since this was a purely ministerial decision, I sincerely hope that my decision will not be interpreted as an implied criticism of the decisions made in this matter by my two predecessors at the times at which they were respectively made.

I have now decided, should Weldon Chan choose to surrender himself, to issue a permit under section 8 of the Immigration Act authorizing him and his family to stay in Canada for a period of 12 months, which is the maximum period allowed under the act for any such single permit. This would render possible the immediate reunion of the family, and allow the Chan family to take the necessary steps during this period to finally adjust their status as immigrants.

Mr. H. W. Herridge (Kootenay West): I should like to ask the minister a supplementary question. In view of his decision—his happy decision—with regard to this case, will the minister now give further consideration to the case of Miss Irene Rebrin, a lecturer at the University of British Columbia?

Mr. Favreau: I must say that when I decided to answer the question relating to Mr. Chan, as put by the two hon. members, I was prompted by the relative urgency that existed in this situation because of the desire of the family to be re-united. However, I do not believe the same urgency exists in the case referred to by the hon. member. I feel, Mr. Speaker, I should invoke the ruling made by your predecessors in respect of immigration matters, to the effect that when a question relates to a single individual and there is no element of urgency involved, such question ought not to be admitted, but I will be pleased to look into it.

TRANSPORT

P.E.I. CAUSEWAY—INQUIRY AS TO CONSTRUCTION

On the orders of the day:

Mr. Heath Macquarrie (Queens): I should like to direct a question to my erstwhile west block neighbour, the Minister of Public Works. Having so far heard no official government announcement on the construction of the Prince Edward Island causeway, and noting the transport minister's intimation regarding the building of a new ferry, is the minister in a position to state whether the present government intends to repudiate or fulfil its predecessor's pledge to build this transportation link?

Inquiries of the Ministry

Hon. J. P. Deschatelets (Minister of Public Works): The matter is under consideration, and when a decision is reached it will be announced in due course in the proper place which is the House of Commons.

TRADE

REPORTED REQUEST FOR REDUCTION OF JAPANESE IMPORT QUOTAS

On the orders of the day:

Mr. C. S. Smallwood (Battle River-Camrose): I have a question for the Prime Minister which stems from an article in this morning's Toronto *Globe and Mail*. The article states that the Canadian Manufacturers' Association has requested the government to cut Japanese import quotas. My question is, will the Prime Minister assure this house that no cut will be made in Japanese import quotas, since this trade is very important to western Canada and since his party advocates free trade?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the question is indeed so important, not only to western Canada but to all Canada, that it should not be answered in a reply to a question on orders of the day.

(Translation):

TRADE

INQUIRY AS TO CONTINUATION OF EXPORT POLICY

On the orders of the day:

Mr. Georges Valade (St. Mary): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce. It arises from the reply given here a few minutes ago by the Minister of Public works (Mr. Deschatelets) and concerns an article published in the newspaper *La Presse* under the heading:

From January to April 1963, Canada's trade balance showed a surplus of $40.5 million.

Does the minister feel that the present government is responsible for such a surplus and does he intend to discontinue the progressive export policy adopted by the Conservative government?

Mr. Speaker: Has the hon. member finished his question?

(Text):

Mr. Valade: My question was, does the minister intend to continue this progressive program that we had on exportations?

AGRICULTURE

DAMAGE TO GRAPE CROPS IN NIAGARA PENINSULA

On the orders of the day:

Mr. Jim McNulty (Lincoln): Mr. Speaker, I have a question for the Minister of Agriculture. In view of the recent heavy frost damage to grape crops in the Niagara peninsula, could the minister inform the house what immediate action he will take in regard to this serious financial setback to Niagara peninsula growers?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, I have an appointment to meet representatives of the Ontario grape growers tomorrow morning, and following the meeting consideration will be given to the policy which will be adopted.

WHEAT—POSSIBLE EFFECT OF U.S. REFERENDUM

On the orders of the day:

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, since the Minister of Agriculture was good enough to answer a question put by the hon. member for Lincoln, I wonder whether he has had time to prepare an answer to the question I asked him on May 21, nine days ago, and which he took as notice?

Hon. Harry W. Hays (Minister of Agriculture): What was the question the hon. member asked?

Mr. Hamilton: I think the minister can find the question on page 81 of *Hansard* for May 21.

CANADIAN BROADCASTING CORPORATION

MAX FERGUSON SHOW—INQUIRY AS TO GOVERNMENT ACTION

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I would like to direct a question to the Secretary of State. It is in two parts. Is the minister aware of the Max Ferguson show broadcast on C.B.C. radio this morning? By way of explanation leading up to the second part of the question, I might say there were two skits presented, one dealing with a meeting between President Kennedy and a top Canadian official in which the president kept urging on the Canadian that Canada take extra nuclear squadrons. The second skit was on the anniversary of the great fight at Stoney Creek of 1812 or 1813, with United States Ambassador Butterworth and the Canadian Prime Minister watching it. If the minister is aware of this show, what action is he going to take about it?

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, I thank the hon. gentleman for sending me the text of the show, because at the time it was on I was engaged in my usual morning activity of hitchhiking to the office. I therefore did not have the benefit

of hearing this show, which I listen to whenever I can with a great deal of interest and sometimes with some enlightenment. I doubt if the one this morning was very enlightening, but I think we can leave that to the board of directors of the C.B.C.

LABOUR CONDITIONS

GREAT LAKES—PROGRESS TOWARD SETTLEMENT OF DISPUTE

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I would like to address a question to the Minister of Labour, and ask him whether he is going to report at this time on the great lakes labour dispute.

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I can only say that on Friday last I discussed this matter once again with the secretary of labour in the United States. A proposal has been received to reconvene the meeting that was held in Washington last week, and that proposal is now under consideration. It has been accepted with the exception of an appropriate time as to a further meeting.

SUDBURY, ONT.—REPORTED MOVEMENT OF UNEMPLOYED TO THOMPSON, MAN.

On the orders of the day:

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, on Monday last in my absence from the house the hon. member for Parry Sound-Muskoka (Mr. Aiken) asked a question with respect to the administration of the Unemployment Insurance Act in Sudbury. I have now investigated the situation and should like to report as follows.

The law provides that a claimant not accepting suitable employment may be subject to disqualification for a period not exceeding six weeks. A number of claimants in Sudbury who had been unemployed for more than six months, and for whom work in their usual occupation in that area was not available, were offered employment in Thompson, Manitoba. Some of these persons accepted the employment elsewhere; others did not do so, and as a result were disqualified from receiving benefit. I may add that to date four appeals by these claimants have been heard by the local board of referees at Sudbury, and in three cases the disqualifications were upheld.

REPORTED LAY-OFFS AT POINT EDWARD NAVAL BASE

On the orders of the day:

Mr. Donald MacInnis (Cape Breton South): Mr. Speaker, I should like to direct a question to the Associate Minister of National Defence. Has the minister or his department met with any success in placing the nine men recently laid off at the Point Edward naval base?

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, I should like to thank the hon. member for having advised me that he intended to follow up a question he asked some time ago. Perhaps I should remind the hon. member that the nine people who had been laid off from the Point Edward naval base were casual labourers and, as hon. members know, casual labourers are used to supplement the permanent work force and are advised of the irregularity of their employment. When they are laid off everything is done to get them back to work either through the unemployment insurance commission or one of the army or air force establishments.

I am happy to be able to tell the hon. member that it is expected that there will be an increased work load at the Point Edward naval base and that the people who were laid off recently will be employed shortly. The work load is expected to last until this autumn.

(Translation):

ARTS, LETTERS AND SCIENCES

PROVINCIAL REPLIES TO LETTER RESPECTING ROYAL COMMISSION

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Prime Minister.

Can the Prime Minister inform the house as to which provinces, up to now, have answered his letter concerning the commission on biculturalism?

(Text):

Right Hon. L. B. Pearson (Prime Minister): Subject to correction, Mr. Speaker, I think all the provinces have replied except British Columbia and Prince Edward Island. I am not absolutely certain, but I hope to have all the replies in a day or so, and if the house desires they can be tabled when they are all in.

PUBLIC WORKS

INQUIRY AS TO TERMINATION OF AUSTERITY PROGRAM

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I would like to direct a question to the Minister of Public Works. Would the minister tell the house whether he intends doing anything to persuade his colleagues to

bring about a termination of the austerity program of the former government, which is revealed in respect to the estimates of his department tabled yesterday by his colleague, the Minister of Finance?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I am quite surprised to have this question put to me, because it is well known all over Canada that the austerity has ended since we took over.

Mr. Barnett: As a supplementary question may I ask the minister why there is no indication of that fact in the estimates of his department?

Mr. Deschatelets: May I remind the hon. member that the estimates of the Department of Public Works for this year are the estimates of the previous government, but wait until we see the estimates for next year.

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, my question has been occasioned by the surprising reply from the Minister of Public Works. I want to ask the Secretary of State whether he could tell us if it is a fact that the civil service commission and government departments are no longer holding a freeze in so far as adding people to job rosters according to a formula that was in effect for some time.

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, the hon. gentleman has made quite a speech. I will take a look at it and consider a reply.

VETERANS AFFAIRS

INQUIRY AS TO PENSION ENTITLEMENT OF SERGEANT LEJA

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to direct a question to the Minister of Veterans Affairs. Does the very brave Sergeant Leja, who was seriously wounded as a result of the unfortunate bombing incident in Montreal recently, qualify for a pension under the Canadian Pension Act?

Hon. Roger Teillet (Minister of Veterans Affairs): Mr. Speaker, I cannot answer that question just at the moment, but I will be glad to look into the matter and give the hon. gentleman an answer as quickly as I can.

(Translation):

PUBLIC BUILDINGS

ARNPRIOR—REPAIRS TO CLOCK IN OLD POST OFFICE BUILDING

On the orders of the day:

Mr. J. J. Greene (Renfrew South): Mr. Speaker, I should like to direct a question to the Minister of Public Works. On April 8 last, the post office of my own town, Arnprior, was moved into a new building and since that time the clock of the old post office has stopped working. Newspapers assert that it is perhaps due to a catastrophe which took place on April 8 last.

So I ask the minister if he can go to Arnprior and wind up the clock at the old post office.

Hon. J. P. Deschatelets (Minister of Public Works): It is possible that the clock stopped working following recent events. However, since the hon. member mentioned this to me this morning, we have given instructions to that effect and the clock is now working as before.

(Text):

CANADIAN NATIONAL RAILWAYS

REQUEST FOR IMPROVEMENT IN POSITION OF RETIRED EMPLOYEES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question either to the Minister of Transport or to the Prime Minister. In view of representations made to the former government and to this government by retired employees of Canadian National Railways, will something be done to improve the pension position of those employees of Canadian National Railways who were retired prior to April 1, 1962?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, that question perhaps should be put on the order paper. But it will be looked into, whether on the order paper or not.

WATER RESOURCES

ACTION TO RELIEVE LOW WATER PROBLEM IN GREAT LAKES

On the orders of the day:

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, yesterday a question was asked by the hon. member for Grey North (Mr. Noble). As the details involved in the answer are quite technical and the answer is lengthy, I would ask permission of the house to file this answer with the Clerk of the House as if the question had been put on the order paper.

Mr. Speaker: Is it the pleasure of the house that this information be made an order for return?

Some hon. Members: Agreed.

HOUSE OF COMMONS

ANNOUNCEMENT OF AVAILABILITY OF SEATING PLANS

On the orders of the day:

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, the day before yesterday the hon. member for Moose Mountain asked me about the house seating plan. I have just received a print of the seating plan, and I believe there will be copies available for all hon. members. I should also like to say that one of the hon. members on this side of the house suggested to me yesterday that a miniature of the seating plan be printed which could be inserted on members' desks. It seemed to me a rather good idea. I have already received a proof of one of them, and I hope they will also be available quite soon.

NATIONAL DEFENCE

APPOINTMENT OF SPECIAL COMMITTEE

Right Hon. L. B. Pearson (Prime Minister) moved:

That a special committee be appointed to consider matters relating to defence and to report from time to time its observations and opinions thereon that the committee have power to send for persons, papers and records and to examine witnesses; that it be empowered to adjourn from place to place; that standing order 67 be suspended in relation to the committee; and that the committee consist of 18 members to be designated by the house at a later date.

He said: Mr. Speaker, the resolution which has just been read to the house implements a pledge that we on this side have made. If accepted by the house it would carry out a proposal that was put by us to the house over the years when we were in opposition.

The resolution refers to a committee to consider matters relating to defence. There is no limitation in the resolution with regard to any such matters though, of course, there is always the limitation imposed by security considerations when this house or a committee of this house discusses defence. The resolution provides that the committee shall report to the house from time to time on matters relating to defence; that it shall have power to send for persons, papers and records and to examine witnesses; that it be empowered to adjourn from place to place. That means the committee can travel to defence installations and other places which it might be important to visit in connection with the business the committee is doing.

According to the terms of the resolution the committee should consist of 18 members to be designated by the house at a later date. I understand there have been discussions—and this was referred to last night

by my colleague, the leader of the house—among the representatives of the various parties, and the suggestion has been made that it would lead to an improvement in the basis of the representation of all parties on this committee of the number could be increased from 18 to 24. I am informed that this suggestion received unanimous approval on the part of those who were considering it. Therefore, though this would require the unanimous consent of the house, I make the suggestion that when this resolution is being considered the figure "18" be amended to read "24". If that is agreed to by the house, the committee will be considered as having 24 rather than 18 members.

I do not propose to detain hon. members very long in speaking to this resolution. I shall have an opportunity at the end of the debate to deal with any points which may arise during the discussion on the nature of the committee and its work. But I wish to make it clear at the beginning that a committee of this kind to deal with defence matters, if it is accepted, does not mean that it will be substituting in any way for the responsibility of the house itself in considering these matters. It would certainly be no substitute for the responsibility which the government must have in the making of decisions in regard to defence, the same responsibility which it has in making decisions on other aspects of policy.

Therefore I should like to make it clear at the outset that in recommending this committee it is not the intention of the government in any way, shape or form that, in the words of the hon. member for Winnipeg South Centre (Mr. Churchill) on May 21, as reported at page 114 of *Hansard,* it should be used "to give the government a chance to evade its responsibilities". No government can evade its responsibilities in the matter of defence or in any other field by the establishment of a committee. It is the purpose in setting up committees of this house to assist the government of the day in discharging its responsibilities; to convey information to the government and to give the government advice; to make recommendations to the government, if thought fit. But in the last analysis, under our parliamentary system of responsible government the government must remain responsible for any decisions taken.

Mr. Diefenbaker: Would the Prime Minister allow a question? The constitutional statement he has just made is one with which there can be no disagreement. But is it intended, and is it in contemplation by the government, that this committee shall have the right to make recommendations regarding policy?

Mr. Pearson: I was coming to that. But I think there should be no limitation on the right of this committee to make recommendations on any matter within its terms of reference, and by "any matter" I do not exclude policy.

Mr. Diefenbaker: Does the Prime Minister include policy?

Mr. Pearson: I will come to that if the right hon. gentleman will be patient. In the past the Leader of the Opposition (Mr. Diefenbaker) and the members of his party when they were in office opposed the establishment of a committee of the house to discuss defence policy. The ground for that opposition was that in their view a committee of this kind, considering defence policy, would interfere with and perhaps cut across the responsibility of the government in these matters to which I have just referred. The Leader of the Opposition took the position while in office and, indeed, when he was in opposition earlier, that no committee could even discuss defence policy because defence policy was the responsibility of government and government should not delegate this responsibility to a committee.

I have before me statements made by the right hon. gentleman and, as he has mentioned the subject, I might say that statements along similar lines, though with some qualifications, were made previously by Right Hon. Mr. St. Laurent when he was prime minister, in 1951. However, in 1958 when there was a discussion in this chamber about the setting up of a defence committee, the right hon. gentleman now the Leader of the Opposition had this to say on May 30, as reported on page 681 of *Hansard* of that date. He was discussing a defence committee:

> The only forbidden field, and it must remain so, will be that of government policy.

That was to be a forbidden field as far as the work of the defence committee was concerned. They could talk about expenditures, expenditures which had been made, but they could not discuss defence policy. More recently the right hon. gentleman reiterated his opposition to defence policy being discussed in a defence committee when he said, as reported on page 1889 of *Hansard* for November 22, 1962:

> In so far as defence policy is concerned, as in the past when the hon. gentleman was a member of the former government, so today, and so, generally, throughout the free world, questions of policy are not submitted to committees.

I must note that the statement that throughout the free world questions of defence policy are not submitted to committees is an all embracing statement and one which is not accurate, because the United States is still in the free world and there defence policies are not only submitted to congressional committees but they are very often decided in congressional committee.

Mr. Diefenbaker: I was referring to the parliamentary free world.

Mr. Pearson: The right hon. gentleman says he was referring to the free world in which the parliamentary system of government is in effect. So far as we are concerned on this side of the house, we did not accept that position when we were in opposition. We did not accept the position that a defence committee should be limited in this way. Now that we are in office we do not accept this today. We are putting this committee forward in exactly the same terms and with the same intentions that we had three, four or five years back when we advocated a defence policy committee.

Mr. Pugh: May I ask the Prime Minister whether such a committee has been set up before in Canada, particularly in the regime of Mr. St. Laurent?

Mr. Pearson: No, Mr. Speaker, I do not think a committee of the kind envisaged in this resolution has been set up, although I speak subject to correction. Certainly it has not been set up while I have been a member of the House of Commons. But I am proposing that a committee of this kind be set up now with the approval of the House of Commons. In making that proposal I am being consistent in what I said in this house when I was in opposition. In the course of the throne speech as far back as January, 1960 I was asked by the then prime minister the following question, as recorded on page 48 of *Hansard*:

> Does the hon. gentleman suggest that any committee under our system should discuss policy?

My reply was:

> It certainly could, Mr. Speaker, if it were set up for this purpose. It could bring in recommendations, get advice on policy and ask the minister about policy questions. It certainly could discuss policy.

And I take that position today, Mr. Speaker. Then last October 1, 1962 I said in this house, as reported on page 73 of *Hansard*:

> What we should have had years ago, and what we fought for in this house, is a defence committee on policy where we could try to find out the principles upon which the government is acting in defence matters. We have never been able to do that, but when a Liberal government takes over that will be done.

I might say parenthetically, Mr. Speaker, that we are now proposing that this should be done by this committee. I went on to say:

> The defence policy will be examined by a committee in the House of Commons in the way it should be examined—

—that is if we had the responsibility of setting up such a committee—

—in a way it has not been examined since this government—

—that is the Conservative government—

—took office.

That is what we are proposing in the terms of this resolution.

Mr. Diefenbaker: Mr. Speaker, might I interrupt the Prime Minister at this stage? He has now described the ambit of this committee. Would he object to an amendment so it may be made perfectly clear that the special committee to be appointed is to consider matters relating to defence, and to report from time to time its observations and opinions thereon, including recommendations as to policy? In view of the fact that he stated that those words are inherent and that that idea is inherent in the definition, which I submit they are not, would he, in order to make the matter perfectly clear, be prepared to accept an amendment in those terms?

Mr. Pearson: I have already said that in the terms of this resolution there is no limitation on the work of this committee in respect to all matters relating to defence. I have always indicated to the right hon. gentleman that in matters relating to defence we include in this resolution defence policy. I have indicated that that will presumably make the resolution unacceptable to my hon. friend if he follows the course he has followed in the past, when he has taken the position on behalf of his party and on behalf of the former government that it is inappropriate for a defence committee even to discuss policy, let alone to make recommendations on policy. We would assume that there would be no limitation this time on the committee which we are proposing to set up; but if in the course of this discussion an amendment is moved on this or on any other subject, that amendment will naturally be considered by the government when it sees the terms of such amendment.

Mr. Speaker, what I want to emphasize again is something which I mentioned at the beginning of my remarks, that in setting up a committee of this kind to discuss, if it sees fit, defence policy matters and, if it sees fit, to make recommendations to the government of the day on defence policy questions, it does not interfere with the responsibility upon the government of making decisions in regard to those recommendations or any other matters of defence policy. Also, it does not interfere with the right of parliament itself, in committee of the whole and in discussion of the defence estimates, to reject decisions or to reject any matter of defence policy which may be put before it.

The previous government, in the defence committees which it set up, permitted examination only of expenditures. In the main committee, the most important committee, which was set up in 1960, the committee of that day was authorized to look into the expenditures which had already been made, and it was only later that the terms of reference of that committee were changed to enable it to look into expenditures which were proposed. If hon. members read, as I am sure many who took part in the discussions have read, the minutes of the committee on defence expenditures of 1960, they will realize how difficult indeed it was for a minister of defence, a minister of the crown, in the examination to which he was subjected in the committee on expenditures, to refrain from discussing policy. Indeed, he did not attempt to refrain, because it was quite impossible, in answering questions on defence expenditures, not to give the government's view on policy matters. So perhaps by making it clear that policy matters can be discussed in this committee we are not departing, in effect, very far from the position taken by the former minister of defence himself in 1960 when he appeared before the committee.

It has been said by my right hon. friend—and I have repeated some of his statements today—that it is not proper for a committee on defence to discuss defence policy, and that this cuts across our system of parliamentary, constitutional, responsible government. I would point out, as I have indeed pointed out in the past in this house, that there is a good analogy to the proposed defence committee in the committee on external affairs. The committee on external affairs has been in existence now for a good many years. There has never been any limitation on the right of that committee to discuss questions of foreign policy. There has never been any limitation on the right of members of that committee to examine the secretary of state for external affairs on foreign policy questions. And I do not think that committee has been considered as an agency which has prejudiced in any way our system of parliamentary government, where the government must take the responsibility of making decisions and then announce them in the House of Commons.

When I talk about a defence committee of this kind I do not mean, and the terms of the resolution should not be interpreted to mean, that the right of the members of that committee to summon witnesses extends to serving officers. I think it would be improper for serving officers to appear; but

if they were summoned before the committee, the right of the committee to summon anyone does not extend to the obligation of a serving officer to give any information on policy matters. Policy matters in a committee of this kind, as was the case in the committee on external affairs, can be discussed. The government can be questioned on policy, but the spokesman of the government on policy matters should be a political spokesman of the government. In the case of the external affairs committee that spokesman has been the secretary of state for external affairs.

If I may be pardoned a personal reference, Mr. Speaker, I recall that when I was deputy minister of external affairs I appeared before the committee, but I was not asked questions about policy. At least occasionally I may have been asked a question on policy by inadvertence, but if I was I always replied that it was a policy matter which naturally the minister would deal with when he appeared before the committee, and then I took note of the question and submitted it to the minister. Then later when I appeared before the committee on external affairs as secretary of state for external affairs, my right hon. friend the Leader of the Opposition, who was a member of the committee, will remember how the committee itself roamed far and wide over the whole field of foreign policy, and that the minister, I think it is right to say, did not show any reluctance to discuss with the committee any aspects of foreign policy on behalf of the government.

Subject always, of course, to military security considerations, I suggest that is the way that a committee on defence should and could operate; that the ministers of defence would appear before the committee and if there were questions on government policy that members wished to ask, if there were exchanges of views on government policy that members wished to bring about with the spokesman of the government, it would be the obligation of the minister to give the committee all the information he possibly could and take notice of the views of the members of the committee, and in due course the government will take notice of any recommendations which it cares to make.

There is no reason, as I see it, why a committee of this kind should not exchange views on the principles of defence policy; on the reasons for the expenditures made consequent upon defence policy; on the contributions that Canada has made to the NATO alliance, for instance; on changes in defence policy that the Canadian government in due course might be wise to make; on our continental defence policy; on our relations with the United States on continental and joint defence. It seems to me it would not only be possible but also helpful to have matters of that kind discussed in a committee of this kind, and in such a discussion the only spokesman for the government would be, of course, a minister of the crown.

This does not mean that in such a defence committee the deputy minister and perhaps even the chairman of the chiefs of staff committee should not be able to appear if they were required to answer questions of fact and to answer questions on which information was required that did not entrench on policy considerations. I would, however, believe that it would be wrong if, apart from the chairman of the chiefs of staff committee, serving officers were asked to appear before the committee and were questioned in a way which would embarrass them as officers of the services. I think the committee could be very useful indeed in the field of policy without that kind of investigation which is so common to congressional committees in Washington, where I know the system is very different indeed but where I believe—perhaps I should not say this—harm can be done by asking for the views of serving officers which run counter to the views of their civilian chiefs, who are responsible and should be responsible for decisions on policy.

It is also provided in the resolution that the committee, if it so desires, can send for outside witnesses. By that I mean witnesses who would not be serving officers of the armed forces or civil servants of the government of Canada, who would naturally appear before the committee only to give information in regard to matters of fact. But outside witnesses whom the committee felt by their knowledge and experience could contribute to the work of the committee would, it seems to me, be very appropriate witnesses for the committee to summon if it so desired.

That is what we in the government have in mind in putting this resolution before the house. If the house sees fit to accept the resolution and the committee of 24 members is set up representing all parties in the house, I think it can serve a very useful purpose in clarifying the ideas of members of the committee and, through members of the committee, clarifying the ideas of the country on the difficult, complicated and at times dangerous questions of defence. It can also be useful in the recommendations it may see fit to make in the same way that committees make recommendations on other subjects to the government of the day.

Therefore, Mr. Speaker, I am very happy indeed to put this resolution to the house for its consideration.

Mr. Speaker: Am I to understand that by unanimous consent and without any special

motion the resolution is to be amended to the effect that the committee shall consist of 24 members instead of 18?

Some hon. Members: Agreed.

Mr. Mandziuk: May I ask the Prime Minister a question which I intended to put before he took his seat? To what extent would the recommendations of this committee be binding on the government, if at all? Maybe I missed that point in his address, and if I did I apologize.

Mr. Pearson: Legally and constitutionally they would not be binding in any way, because that would indeed contravene our system of parliamentary responsible government where the government must be responsible for decisions. But I should think they would be of great interest to and have an influence on the government in making the decisions that it would have to make on matters of policy.

Mr. Mandziuk: Did the Prime Minister say that Senate committees in the United States make policy recommendations which are binding on the government there? I should like clarification of that point.

Mr. Pearson: The congressional system is entirely different, and the powers of congressional committees are much greater in respect of the binding nature of their recommendations than the powers of any parliamentary committee. I am not suggesting nor is the government suggesting, in recommending this resolution, that we adopt the United States practice in this regard.

Mr. Speaker: The hon. member for Winnipeg South Centre.

Mr. Churchill: I should like to ask a question first. Is the Minister of National Defence not going to give us an outline of government policy at the present time so the debate may develop in an orderly fashion?

Mr. Hellyer: I will not be giving a statement of government policy on defence at the present time. I would, I presume, if the committee so desired, make an opening statement at the committee's deliberations which would more or less start the proceedings.

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, the government has approached this problem in the most halfhearted manner I have ever seen. During the course of the election campaign and in the last session of parliament we heard endless talk about the necessity of a committee to discuss and determine—that was the inference—defence policy, and various statements have already been made in the house before we reached this particular point in our proceedings about what was going to be done.

We have now reached the item on the order paper; a very lukewarm, halfhearted presentation is made by the Prime Minister, with regard to his much vaunted committee on defence, and neither the Minister of National Defence (Mr. Hellyer) nor the Associate Minister of National Defence (Mr. Cardin) is prepared to give us a statement with regard to the government's policy at the present time.

Mr. Pearson: On a point of order, Mr. Speaker, would it be in order for a spokesman of the government to make a statement on defence policy in connection with this resolution?

Mr. Speaker: The whole purpose of this debate is to set up a committee, and the discussion should be relevant to setting up the committee. Members may indicate from time to time, of course, subjects that might be considered by the committee, but I do not think a general debate is called for at the present time. I will not go any further at the moment, but I have considerable authority for what I have just said.

Mr. Diefenbaker: On a point of order, Mr. Speaker, I know you have not made a ruling yet and I should like to say something. Under all the circumstances, and particularly in view of the far ranging discussion on the part of the Prime Minister, I feel that in the consideration of a matter as important as defence, discussion should not be limited in the course of this debate which has as its purpose as you have said, and properly so, the setting up of a committee.

But I do feel that unless there is going to be reasonable freedom in consideration of this whole problem, then this debate will simply be a means whereby the important matter of defence will be given to a committee and, inferentially, the House of Commons will be denied the opportunity of discussing this matter. I hope that there will be give and take on both sides in this connection, and that Your Honour will not be required to make a ruling that would deny to members of this house the right to discuss a subject that has received widespread attention and deserves to be dealt with by members of this house in some detail.

Mr. Pickersgill: May I speak to the point of order that has been raised? I agree with the right hon. gentleman that if any attempt were made to restrict this debate merely to the narrow question, should a committee be set up or should it not, it would be unduly restrictive. The government has no such thought. At the same time, sir, Your Honour's

predecessor, Mr. Speaker Michener, gave rulings on several occasions—on one occasion the ruling was made against me, so I remember it quite well—that the whole policy with respect to the subject matter being referred to a committee should not be discussed in the house because that was the purpose of the committee, to have the matter discussed there. I am speaking from recollection, but my recollection is rather vivid in this particular case since the ruling was made against me.

Mr. Diefenbaker: That was not unusual in your case.

Mr. Pickersgill: No; I think, as a matter of fact, that my score was almost as bad as the right hon. gentleman's.

As I was saying before the amiable interruption by the right hon. gentleman, it has always been the practice to permit hon. members to suggest subjects and to give reasons why there should be certain priority relating to subjects to be discussed by a committee. However, since committees are set up for the purpose of considering a matter, and I think Your Honour's predecessors have so ruled, it has always been clearly understood that it would be quite wrong to have a debate in the house on the subject itself that the committee is being asked to consider, and before the committee has considered it. When the committee has considered it and made its report, the report is then before hon. gentlemen and at that stage there is an opportunity for debating the report of the committee and to deal with everything that the committee itself decided.

Mr. Diefenbaker: May I add one further word? I think what the hon. gentleman has said pretty well represents the situation. It is a distinction without a difference so far as I am concerned, and I think as we proceed on the basis of what he has indicated is the desire of the government, not to prevent the opposition placing before the house its views, I am sure that there will be that degree of give and take which will permit a wide discussion.

Mr. Douglas: I should like to speak to the point of order, Mr. Speaker. I think it would be a mistake if too narrow an interpretation were placed on the terms of this resolution. I believe the house has to keep in mind that, prior to parliament meeting, the government made it clear that there would be an early opportunity for discussing general defence questions. Once the committee is set up, in view of the fact that these questions are being discussed in the committee, we may be debarred from discussing general defence matters in the house.

It seems to me that this is almost the only opportunity that will be presented for some time for a general discussion of defence policy, as was promised by the government prior to parliament convening. While no one, I am sure, wants to wander far afield, I feel it would be a mistake to narrowly limit the debate on this motion to the question merely of whether a committee should be set up or should not be set up.

Mr. Pearson: Speaking to the point of order, may I say that the right hon. gentleman used as an argument for a wide discussion, the fact that I had ranged, as he said, over the entire field of defence policy. I did not talk about defence policy at all in my short remarks. I confined my remarks to the resolution question, the nature of the committee and the terms of reference to the committee, what I thought it might do and might not do. While I am not, of course, objecting in any way, Mr. Speaker, to the remarks that have been made about some latitude being given in a debate of this kind on a proposal to set up a committee, I would say in answer to the remarks of the hon. member for Burnaby-Coquitlam that far from restricting debate on this matter there has already been a wide discussion on a point decided earlier. There will be a supply motion shortly when the whole question of defence can be raised, and there will be the defence estimates before long. Therefore, there is no disposition on the part of the government to limit the widest possible discussion of defence policy at every appropriate opportunity.

Mr. Diefenbaker: I agree with the hon. member for Burnaby-Coquitlam in general. However, I would not want to be taken as accepting the view that the fact general defence problems had been submitted to a committee would debar this house from discussing the question of defence at any time.

However, I feel we are pretty well in agreement now, and I would not want to press the matter any further.

Mr. Speaker: Perhaps I can conclude the matter by quoting some excellent remarks by a previous Speaker made on March 23, 1960, as found on page 2371 of *Hansard* for that date:

> To conclude the matter I would ask the co-operation of the house in keeping these debates on motions to appoint committees within the appropriate limited bounds. I do not propose to be unduly restrictive but I suggest we follow the rules unless the house determines otherwise. If the house decides it wants a general debate, that is done by unanimous consent, and that is a different case. Otherwise, however, we will attempt to keep within the rules.

It seems to me we have a general understanding of the problem.

Mr. Churchill: Mr. Speaker, it is rather fortunate that the Secretary of State was present this afternoon to save the Prime Minister from error when he was almost on the point of preventing us discussing the very subject he says we should be discussing.

Mr. Pearson: I rise on a question of privilege. The hon. gentleman is once again falling into his customary practice of misinterpreting and distorting remarks made from this side of the house.

Mr. Churchill: Mr. Speaker—

Mr. Pearson: I suggest he is completely wrong in what he has said, once again, even though he has no documents to support him this time.

Mr. Churchill: Now you are in trouble.

Mr. Diefenbaker: I think the word "distort" is parliamentary, and if it is I apply it to the right hon. gentleman.

Mr. Churchill: The words which the Prime Minister has used are a reflection and will have to be withdrawn.

Some hon. Members: Oh, oh.

Mr. Churchill: He said, referring to me, "—my customary practice of distorting—" what other word did he use?

Some hon. Members: Oh, oh.

Mr. Churchill: —distorting and giving misinformation to the house.

Mr. Speaker: I think I can resolve the difficulty. If there is any hint of restriction at all, it is due to myself. In my capacity as Speaker, it is my duty to point out what the rules of the house are. If the members of the house generally feel that there should be a slightly wider discussion, I do not see any particular objection to that, provided it is kept within the bounds of reason.

Mr. Churchill: Before we get to that wider discussion, I may say that I am discussing a point of privilege concerning accusations made by the Prime Minister that I have distorted or, in other words, misled the house. This is not an accusation that can be made and substantiated by the Prime Minister, and those words are unparliamentary and will have to be withdrawn.

Mr. Pearson: On the question of privilege, Mr. Speaker, I said that the hon. gentleman had distorted and misrepresented what I have said. If I had said the hon. gentleman had deliberately distorted and misrepresented, it would be a different matter, but of course he did not do it deliberately. He did not even know what he was doing.

Mr. Churchill: The Grit party is continuing to show it will destroy itself by its arrogance. I had hoped that the Minister of National Defence would have accepted my invitation to give us a statement for the direction of the committee. They are intent now on setting up a committee, but let us have some direction as to the subject matters that committee would undertake to look at. Let us have something from the Minister of National Defence. He has now been in office for some considerable time. The Prime Minister speaks for him, and the Secretary of State for External Affairs, but we hear nothing from the minister in charge. The Associate Minister of National Defence has virtually disappeared from sight.

Mr. Pearson: He is dealing with government business.

Mr. Churchill: This is a most unfortunate thing in dealing with a department of such great importance as the Department of National Defence.

I started off some time ago to draw attention to the fact that the Prime Minister has very halfheartedly introduced this resolution to set up a committee, and I suggest to you, sir, that in the minds of hon. members of the house, and in the minds of the public, there has been a different concept of what was to be attempted with the committee, than that given to us this afternoon.

Away back in January the Prime Minister, then the leader of the opposition, in the celebrated speech when he changed his position used these words:

> We should set up a small select committee on defence policy. Through that committee we should try to work out a defence policy on the broadest possible national basis.

There is no word of defence policy in the resolution to set up this committee. It is one of those resolutions that evades the matter. Instead of using the words "defence policy," those words used in the last session, during the election campaign and in the turnabout speech at Scarborough, we get the words "matters relating to defence," which is subject to all sorts of interpretation. The committee could spend its whole time on defence expenditures, of course with some profit to public knowledge. It could spend its whole time on travelling around to various bases. This is the sop which is held out. There are going to be some trips. This special committee is to visit this base and that base, but there is nothing about defence policy in the resolution.

Let us be very clear as to the impression that was given to the public. As recorded in

Hansard of May 21 at page 109, the Prime Minister used these words:

—we would be bringing forward very shortly a resolution to set up a defence committee to discuss defence policy.

This is the type of information that has gone out over the radio and television, and through the newspapers—a committee to discuss defence policy, but we get the statement today that it is "to consider matters relating to defence."

On May 17, as recorded at page 13 of *Hansard* for that date, the hon. member for Pontiac-Temiscamingue (Mr. Martineau) asked the Minister of National Defence this question:

For the benefit of the house I would like him to define what is meant by the "modern arms weapons" that are to be made available for the Canadian armed forces.

In his reply the minister said:

—in view of the fact that a resolution will be introduced shortly to set up a special select committee on defence problems I think that would be the best time to discuss these matters in detail.

Mr. Speaker, we are at that very stage now. In effect the minister said, "Save your questions until we are setting up the committee on defence problems, and when we are setting up that committee, that will be the best time to discuss these matters in detail." That is why I asked the Minister of National Defence to let us have his opinions with regard to these matters.

I suggest to the house that the impression created over the last several months was that we were to have a committee on defence policy, and as reported at page 308 of *Hansard* for May 27 the Secretary of State for External Affairs (Mr. Martin) said:

As members of the house know, the Prime Minister has announced in the house... the government's intention to conduct a national review of defence policy and to set up without delay a parliamentary committee as part of that process—

A national review of defence policy was to be the work of the committee, and that is the impression that has been created. There are some people in the country who will consider that they have been misled by this great blowup, and when hon. members of the other parties speak I am sure they will say they were expecting a committee to consider defence policy.

Mr. Pearson: Would the hon. gentleman permit a question? May I ask him if he is prepared to move an amendment to include after the words "matters relating to defence" the words "including defence policy."

Mr. Churchill: These matters will be considered.

Some hon. Members: Oh, oh.

[Mr. Churchill.]

Mr. Churchill: I would think that the Prime Minister, who has already moved a resolution that was badly prepared, should now correct it and he should have in it his words with regard to defence policy. When the Prime Minister was asked the question during the course of his remarks, he hedged. He read out this phrase "matters relating to defence" and he said this would be as wide as you like, but of course with certain reservations, you know, with regard to security matters. Then he said, "You understand it is the responsibility of the government to make decisions."

The Leader of the Opposition asked him if it included policy, and we did not get an answer to that.

Mr. Pearson: The answer was yes.

Mr. Churchill: He was asked if it was included in this way, and he replied that the committee may discuss anything it likes. Then, Mr. Speaker, he casts scorn on committees that have been set up in the past, committees set up for specific purposes. For example there was the committee on defence expenditures, and once you get into defence expenditures you do not have much time for questions of policy. That committee met in 1951 and 1952, and in 1960, when we were on defence expenditures, and there was a restriction on the work of the committee so that it would not spend its whole time on other related matters. But now the Prime Minister says, "Oh, yes, you may discuss anything with regard to defence."

I think we will have to be very sure we are not prevented in this house from discussing these matters pertaining to defence, after the committee has been set up. This is the danger I see in some of this, in the wording of this resolution. Well, where do we stand on the question of defence policy? What is the policy of the present government? What happens when the committee is discussing some matter dealing with defence policy and discovers that the decision has already been made by the government? Then it goes on just discussing it and says whether it was a good decision or a bad one. What will happen if during the course of this committee the government is faced with some problem relating to defence on which a decision is required? Will that be referred to the committee for consideration before the government makes its decision, or will the committee be kept in the dark with regard to that on the grounds of security? I very much fear that this is exactly what will happen. The committee will not be given the information with regard to decisions which the government—as any government has to do—will have to make concerning defence matters. But then it will be able to discuss these matters later, according to the Prime

Minister. He rather suggested that without a committee to discuss matters such as this we would not have the same opportunity here; and finally, when pressed, he had to admit that there would be opportunities to discuss this matter in the house on the consideration of estimates, supply motions and things of that nature. We will insist on our rights here in the House of Commons to discuss defence at every opportune moment. We will continue to press the Minister of National Defence (Mr. Hellyer) with questions, and I hope he will not attempt to defer these questions to the special committee on defence. I warn him in advance that this will not be acceptable to the House of Commons. I have been suggesting, Mr. Speaker, that this House of Commons and the people generally will not be satisfied with the committee as proposed by the Prime Minister, a committee which is not even given a good send-off by the Minister of National Defence.

I am quite prepared to admit that no greater problem faces any country at the present time than this question of defence, of war or peace. I am quite prepared to admit that Canada has a very serious problem to consider with regard to defence. These things should be looked at. They can be looked at by the House of Commons. They can be examined by a committee; we can have two or three committees. But nevertheless the government itself has to approach these problems. The government has to make decisions and they have to announce those decisions. Let us deal with them and let the public generally know what is going on. The problem of defence has been a major problem, and apparently will continue to be a major problem, for our country and other countries for a very long time. It is a very expensive burden resting on our country. A very large part of our budget each year has to be devoted to defence expenditure. Naturally we are interested in seeing whether that money is spent wisely. We are interested in seeing what changes are desired as time goes on. If the committee had been set up for policy matters, it might have suggested to the government before a decision was made what changes should be incorporated in our defence set-up. But I doubt very much if it will have that opportunity.

Despite the heavy expenditure over the years on defence, peace has been maintained in the world since the second world war, in so far as a world conflagration is concerned. Although everyone as a taxpayer has some misgivings with regard to the heavy expenditures on defence, nevertheless I think we must really consider that it is and has been a form of insurance. We have not had an outbreak of world war since the conclusion of the second world war, and we hope that with the work of the alliances with which we are associated, the work of the United Nations, and so on, peace will continue to prevail. This is our hope, because a world conflict would be much more destructive than anything we have seen in the past. Therefore, although defence expenditures have placed a very heavy burden on the Canadian taxpayer, we have received the value of insurance against world conflict from those expenditures.

When it comes to the application of that money and how it should best be expended we enter into a realm of controversy. The committee on defence will not be able to deal adequately with the problems that will confront us unless we have in advance here an outline of some of those problems. That is why I hope we will have such an outline from the government side of the house before the conclusion of this debate. Let us outline in general terms the problems which face us, and then the committee, when it gets down to work, can examine those problems and come up with its findings.

One of the things that strikes me as I read about defence matters and examine the record is the tremendous change that takes place almost every year in defence affairs. The rapidity of technological change in defence matters is almost too great for the lay mind to grasp. We find that the situation as it applied 15, 10, or 5 years ago is rapidly out of date. We seem to be moving into a new age, and some of the weapons which are being devised at the present time are a bit beyond the comprehension of most of us. I am particularly struck with the changes which have occurred over the years.

The *U.S. News and World Report* has given very valuable service to the public from time to time in indicating the burden which is being carried by the members of the NATO alliance, the manpower requirements and things of that nature. I note in the magazine of January 21, 1963, where the article is discussing and comparing the burden borne by the United States and that borne by its allies, that most unfortunately Canada has been omitted from the list of NATO allies. Had Canada's contribution in money been entered in the column devoted to that subject, we would have been shown as fifth among the NATO allies in the amount of money we are spending on national defence. This amount, as appears in the estimates recently tabled, is in the order of $1,600,000,000. If in the list showing manpower provided by the various countries Canada had been listed, as she should have been listed, we would have been shown as seventh in the group of

the 14 countries which do make a substantial contribution to the NATO alliance. Canada has been playing her part with men and with money and has no need to take second place to anyone in this alliance with regard to the effort she is putting forward.

I think at this time a review of our requirements in this atomic age is essential. Once again, in this magazine, *U.S. News and World Report* we get a picture of the changing concept of defence as far as the United States and NATO are concerned. These changes are really very rapid. In the issue of March 25, 1963, there is an article—it appears to be semi-official—which shows the four stages which are now in progress with respect to United States defence arrangements. Step one is the dismantling of the bases which were built all around Russia after the second world war. Nuclear bombers and intermediate missiles are being withdrawn from England, Italy, Turkey, Morocco and elsewhere. Step two provides for smaller nuclear weapons to be withdrawn from Europe and an effort is being made to dissuade NATO allies from building their own atomic forces. As part of step three, around the world United States ground forces and tactical air units are to be gradually withdrawn to United States soil. United States treaty commitments will preferably be met in future by "fire brigade" forces based in that country.

These are some of the developments which have taken place already or which are being considered. Step number four comes down to this—that the mainstay of future United States defence becomes nuclear missiles, mainly Minuteman and Polaris, based on United States soil or in United States submarines where the president can maintain absolute control free from political or other interference from any foreign country.

These are illustrations of one aspect of the changes that are taking place. The other significant change within the last few years has been the piling up of nuclear missiles at a rate which is simply staggering. Again, I am dependant on the *U.S. News and World Report,* and this time I should like to read a few sentences from the issue of March 18, 1963:

> Missiles approaching 60,000 in number will be added to the U.S. arsenal of weapons this year. Missiles are being turned out in the U.S. at a rate of 3.9 billion dollars worth a year.

The article continues under a heading "A Missile for Every Job", and charts are given of the missiles which are listed. There is apparently no security attached to this matter. The big missiles are the intercontinental ballistic missiles which have a range of up to 9,000 miles. The United States also has ready for use an Atlas missile, 129 of which are in place now at 11 bases all within the United States. There is also a type called Titan I and II with a range of 9,000 miles. All 54 of the planned Titan I missiles are now completed and in place at five bases. Fifty four Titan II's are now coming. They also have the Minuteman, 60 of which are now in place on bases in Montana. Five more bases are under way and it is planned to produce 950 of these missiles in the next four years. Then there is the Polaris which has a range of between 1,200 and 2,500 miles. One hundred and forty four missiles of this type are now aboard nine submarines. They intend to have 656 of these missiles aboard 41 submarines. These, Mr. Speaker, are all large missiles.

Looking further down the list I note there is the Thor, with a range of 1,500 miles. Sixty of these based in Britain are being withdrawn. Another intermediate range missile, the Jupiter, was, or is, in Italy and Turkey. It is now being withdrawn and replaced by Polaris missiles. The next missile listed is the Mace which was in place in West Germany. I presume that this, too, is being withdrawn. Those are the big missiles. Then we come to the missiles intended for defence against enemy aircraft, and there are nine of them listed in this magazine together with their ranges and so on. All of them, apparently, are operating. In addition to these are nuclear missiles for use by battlefield troops and eight of these are listed—the Pershing, the Redstone, the Honest John, the Little John, the Sergeant, the Lacrosse, the Shillelagh and the Davy Crockett. Then, as a further indication that we are well into the missile age, we find missiles which can be fired from airplanes against enemy planes. These include the Sidewinder, the Genie, the Falcon and the Sparrow III.

In addition, they are trying to develop a missile to strike down other missiles, the Nike-Zeus. The list is not yet complete. There are anti-submarine missiles—the Subroc, the Asroc and the Alpha. The magazine contains a short description of the Skybolt missile designed to be discharged at some considerable distance from its target. Production of the Skybolt has recently been discontinued. In the same class, though, is the Hound Dog which can be launched 600 miles from its target by the airplane which carries it. Then, having a shorter range, is the Bullpup which can be launched against surface targets.

That is just a quick rundown of the missiles now available in this missile age, and the number of these missiles is multiplying at a rapid rate. Their destructive capacity staggers the imagination. These are matters which will have to be considered by the

special committee before it can reach any conclusion pertaining to Canada's defence now or in the future, or before it can advise the government with regard to policy.

As I have said, the destructive power of these missiles is simply tremendous. One has to learn the nuclear jargon before he can begin to appreciate this fact. The Winnipeg *Tribune* published a series of articles to inform the public, and a collection of these articles has appeared under the title "The Nuclear Primer". I believe there are 24 of these articles which, together, give a great deal of information in popular phraseology which the average individual can understand. The article talks about the sizes of the various bombs available for use at the present time and compares them with the one which destroyed Hiroshima. The Hiroshima bomb was the equivalent of 20,000 tons of t.n.t. When that bomb was exploded the world stood aghast and Hiroshima was wiped out. Well, the warhead of the Honest John rocket which is the missile available to the batteries now in place in Europe, one of the smaller missiles in this missile age, is equivalent in size to the Hiroshima bomb, in other words to 20,000 tons of t.n.t. The smallest United States strategic warhead, that is, among the big missiles I was talking about, has a destructive force equal to 500,000 tons of t.n.t., namely, 25 of the bombs which fell on Hiroshima.

Human imagination finds it very hard to grasp that. Then the writers go on to mention horrifying figures as to the number of people who might be killed and wounded if a holocaust were to occur. President Kennedy estimates 175 million people would be casualties in the first round if there were an exchange of nuclear attacks between east and west. Premier Khrushchev says the dead and injured would be 800 million in the first 18 hours.

In the use of these terms—and they may come up—the kiloton has the explosive force of 1,000 tons of t.n.t. The Hiroshima bomb was 20 kilotons. The megaton bomb has the explosive force of 1 million tons of t.n.t. SAC bombers carry two 24-megaton bombs. The other day in this house reference was made to the bomb which might be carried by the Starfighters in the Canadian air division in Europe. This bomb was spoken of as being a megaton bomb.

Mr. Hellyer: Is the hon. gentleman aware that the same reporter who used this figure of one megaton in one of his reports has subsequently been using the figure of 60 kilotons which is about 5 per cent of the larger amount?

Mr. Churchill: My understanding is that there are several sizes of bombs which might be used by the Starfighters, and perhaps the minister might enlighten us in the future unless it is a security matter. The destructive capabilities of these bombs are simply tremendous.

The reason I draw these matters to the attention of the house is this. I think it is right to ask ourselves if we have not reached the limit of production of weapons of such destruction. Should we be spending more money to produce hundreds of thousands more weapons of this size? How great should be the deterrent? The deterrent has, in my opinion, prevented the outbreak of a world war. I do not stand here as a pacifist at all, but I would ask how great that deterrent should be. Somewhere there should be a ceiling, because you get this kill and overkill. How many times are you going to destroy a country? If it can be killed in the first thrust or attack you do not require the overkill. I am not opposed to a substantial deterrent, but I would ask the question—and this the committee may have to look at in the house—how great that deterrent should be, and then relate it to Canada's contribution to its armed forces in the NATO alliance.

These are questions which sensible people are asking. Is there any need for Canada to make any further contribution to the nuclear deterrent, or is that nuclear deterrent now great enough? If the United States continues to produce missiles by the thousands and continues to put them in these hardened bases underground where they cannot be destroyed on the surface, then one's conception of the use of the Canadian air force might be changed. Have we now reached the missile age where we do not need to use aeroplanes to carry bombs? On the other hand, people say it is a flexible method, because you can call back a man in an aeroplane which is carrying a bomb whereas, once you have let off a missile, it has gone for good and you cannot recall it. These are some of the problems which have to be considered.

The conclusion I have reached, although I, like others, require further information, is this, that in the last several years technological advance in the power of scientific destruction has grown so rapidly that a major overhaul and examination of defence requirements is necessary. Even if this results in changes and the scrapping of this or that weapon, it is no different from what has happened throughout this history of defence and warfare. Many an example could be given of a weapon which has been produced and then succeeded by something more efficient. As far back in Canadian history as the first world war you had the replacement of the

Ross rifle by the Lee-Enfield, and there was a tremendous story about that. In the second world war you had the Grant tank of the United States replaced by the Sherman because it was a much more effective weapon. I can give you a dozen examples of a newer, more efficient weapon succeeding an older one where you simply had to write off the obsolete weapon. So I just make the point that we may seriously have to consider whether changes should be made, whether we should cut our losses. We might have to cut our losses and direct our defence effort along some other line.

I am not prepared to give my solution to that particular problem, but I think that, as sensible people, we have to look at it without getting emotionally disturbed. The danger which has happened over the last two or three years has been the stirring up of the emotions over some of these problems. I cannot subscribe to that at all, although I do not object to a little political warfare and never will. But in this sort of problem we must prepare our minds for certain changes.

This then will get us out of the field where we might have serious difficulties in the political warfare element, and we might be able to concentrate our minds on the exact problem. The committee would have to examine the present and future role of Canada's navy. There again, is it kill and overkill? Does the navy require nuclear weapons for the killing of enemy submarines? With regard to the army we have to consider whether the army requires nuclear weapons on the battlefield, and I do not think that we shall have to agree without careful consideration and examination to the request which may come from certain quarters. I think we can make this decision ourselves.

I think we have to consider whether it is not wiser for a country of our size to be in the so-called conventional arms field. I would seriously question whether, if there should be an attack by bombers on this north American continent—I very much doubt it because I think the bomber threat has just about gone; but assuming that there still is a bomber threat—the first intercept of the attacking bomber should be made by fighters armed with nuclear weapons. There might be a mistake, and I suggest that that mistake had better be made with the firing off of a conventional weapon so that you do not start a nuclear war. I think the greatest danger we face at the present time is mistake—human error or failure. Someone might set off one of these nuclear bombs by error. I question whether with our army in Europe there should be any use of a nuclear weapon until the conventional side has reached the stage where it is no longer effective. But then, once you get into the nuclear field, you cannot have a limited nuclear war: you have world destruction.

So I raise these questions about our army, navy and air force as to whether or not Canada's position and the assistance we offer in this peculiarly difficult field might not be better served by the use of conventional armed forces. We would be filling a role which is being asked for by various people who are saying that the NATO forces are unbalanced, too heavy on the nuclear deterrent side and not sufficient on the conventional arms side.

What is the role for a smaller country? I always become very annoyed when people suggest that Canada is not fulfilling her commitments or her role in this world because I have said often and I say again that Canada's record in world crises has been equalled by other nations, but not surpassed. We were a small nation of 8 million people in the first world war and had a casualty list of 60,000 killed. We were a nation of only 12 million people in the second world war with a casualty list of 40,000. One hundred thousand young Canadians have been killed in two world wars in my lifetime. What other country has made any greater sacrifice? The losses of life, so far as France and the United Kingdom are concerned, were perhaps greater in the first world war, but we have played our part as a nation.

Between wars we have played our part and we are playing our part now and living up to our commitments. My friends opposite have not found yet a commitment that we have not lived up to. We have suggested a re-examination of our commitments, expressed or implied, if you like to put it that way, and a re-examination of them may show that we should redirect our energies along some other line.

Mr. Matheson: May I ask the hon. member whether at any time within his knowledge the government of which he was a member volunteered either to NATO or to NORAD to make our contribution in conventional or non-nuclear weapons?

Mr. Churchill: I am not sure I can answer that question. I do not have full information with regard to all matters pertaining to defence. Very able men preceded me in that field, but I have kept closely in touch with defence matters ever since I came to the House of Commons. Nevertheless, Canada's record has been good and certainly should be maintained. I feel that a re-examination of our role is essential and I expressed regret on this point the other day. In my opinion the NATO meeting in Ottawa just a short time ago should have undertaken

a more exhaustive study of the role of NATO and Canada's role within that force should have been re-examined there and by the House of Commons before any decision was made. It is not a question of withdrawing from NATO. Of course not. We were in there at the start and I hope we will be in at the end. But that does not say that our contribution within NATO should not be re-examined.

Without settling the question, I raise this point for the consideration of the committee. Our air division in Europe is being brought to completion. I do not need to reiterate that only one squadron has been reorganized at the present time, and a second squadron is in the process; but by the time it is finished 10 or 12 months from now there will be 144 Starfighter planes in the air division in Europe. I simply raise the question whether that is the best role for Canada. These planes will become part of the deterrent. They will be grounded except for practice flights, because you cannot and certainly should not attach a nuclear bomb to a plane and then start flying it around the country. The air division will be virtually grounded and will be out of action unless nuclear war breaks out. That is fine as a deterrent, and I have no objection to the use of a deterrent, but to my way of thinking this will incapacitate a great air force.

I would rather see our airmen more actively employed. I grant that they will have to make practice flights all the time, but they are being pinned down to a role where they are not in close support of an army and their task is simply as part of the deterrent. Their task becomes something like that of the SAC bombers of the United States bomber fleet.

Without answering or solving the question, I raise it for consideration. Is this the best use that can be made of Canadian airmen who are the best airmen in the world and have been ever since air forces were started in the first world war? The subject before us is vast and comprehensive. I have many more things to say but I think I had better give someone else an opportunity.

Mr. Hellyer: Just before the hon. gentleman concludes, I wonder whether he could advise the house if it is his intention to support the resolution?

An hon. Member: Is that your contribution?

Mr. Churchill: We are taking under advisement the suggestion of rewording the resolution, which I put to the Prime Minister, to bring in the words "defence policy". Until I hear from the Minister of National Defence and know what his stand is, and until I hear from the Associate Minister of National Defence I do not know whether it would be advisable to support the resolution.

Mr. Speaker: It being 5 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.

INDUSTRIAL RELATIONS

PROVISION OF STATUTORY HOLIDAYS WITH PAY FOR EMPLOYEES

Mr. Stanley Knowles (Winnipeg North Centre) moved the second reading of Bill No. C-2, to provide for pay for statutory holidays and for pay for work performed on statutory holidays for employees in federal works, undertakings and businesses.

He said: Mr. Speaker, I shall spend only a few minutes on the purpose and effect of this bill because it is well known, if it is not already clear from the title, what this bill is all about. Rather, I shall spend a bit of time dealing with what I feel to be the significance of this measure, because it is the first piece of private members' legislation to be brought before the twenty sixth parliament. It it just my good fortune that my bill happens to be the first one on the list and so gets called first during this first private members' hour.

As for the bill itself, it provides for eight statutory holidays a year, with pay, for workers who come under federal labour jurisdiction. The proposed eight days are New Year's day, Good Friday, the 24th of May or the day nearest thereto that we celebrate, July 1, Labour day, Thanksgiving day, Remembrance day and Christmas day. It is a fact that we have in Canada a fair amount of legislation both federal and provincial specifying holidays, but we do not have very much legislation that provides for pay on holidays and, after all, to be given a holiday without pay is not really much fun.

The main exceptions to this are to be found in provincial legislation in two provinces and in one piece of federal legislation. The two provinces to which I refer are Saskatchewan and Manitoba. In each of those provinces there is legislation providing for a certain number of statutory holidays a year, and making the provision that workers, when they enjoy those holidays, receive their pay for them. In the case of Saskatchewan, eight such days are provided, and in the case of Manitoba the figure is seven. The other piece of legislation that does the two things that I think need to be done, namely providing for holidays and providing for pay on those holidays, is the federal Civil Service Act in which it is provided that all civil servants in federal employ shall enjoy nine holidays a year with pay.

As I say, Mr. Speaker, the purpose of this bill is to provide that all workers coming under federal labour jurisdiction, and we all know that workers in this country come in some instances under federal and in some instances under provincial labour jurisdiction, shall get eight holidays a year with pay. There is also a provision in the bill that if an employee is required to work on a statutory holiday, he shall not only get the pay he would get in lieu of the holiday, but he shall get extra pay by reason of the fact he has been required to work.

This legislation, in principle, has been supported by all the parties that are in this house at the present time. It is generally recognized that the time has come when legislation of this nature should be in our statute books. It could be argued, of course, that most of the workers who come under federal labour jurisdiction already enjoy holidays with pay by virtue of the terms of the Civil Service Act or by virtue of collective agreements. However, there are employees under federal labour jurisdiction who are not covered. It is a fact also that this parliament of Canada ought to be giving a lead in matters of this kind. I hope that at last the time has come when we can give that lead to all the provinces by approving this bill in principle and taking whatever steps are necessary to get it on the statute books of Canada.

I said I was going to deal very briefly with the terms of the bill itself, and I have kept that commitment. I should now like to say something about the significance of this bill being before us today, as it is the first piece of private members' legislation to be considered in this twenty sixth parliament. A great deal has been said in this house and in the press throughout the country about the desirability of making this parliament work. We have said from this corner of the house that we are prepared to give the government of the day a chance to bring forward its legislation, a chance to have that legislation considered, and when it is good we are prepared to support it. I suggest, Mr. Speaker, that this is a two-way street. If the private members of all parties in this house are asked to co-operate with the government in seeing that its legislation might be considered and, where worthy, passed, then by the same token it is time that the government of the day co-operated with the private members in this house and made it possible for their proposals to receive consideration.

There are, on the order paper, 65 private members' bills at the present time. I suggest that these bills, covering a wide range of subjects as they do, represent a great deal of thought on the part of the people who have been sent here by their constituents. In addition to private members' bills there are, of course, a great number of resolutions. Speaking of this bill of mine, which has been before the house on previous occasions, I would say it has met the same fate as many other private members' bills and resolutions: it has been talked out. I plead with this house, and in particular with the government not to do that today. I suggest that this bill coming first presents the government with a challenge to show that it means what it says about wanting this parliament to do a job of work; that it means what it says about wanting the procedures and practices of parliament to be updated so that this house will be more efficient. I suggest that if this bill is talked out, particularly if it is talked out by a member representing the government party, it means, in effect, that there is no change so far as the government's attitude towards parliament as a whole is concerned.

Most of the proposals that are on the order paper today have been put there by private members. They have done a lot of thinking; they have a lot of ideas, and I suggest that they should be considered. In so far as this particular bill, which seeks to establish eight statutory holidays a year with pay, is concerned, I may say that it was debated last year on October 30. The bill was in exactly the same form as it is now. Two members of the Liberal party spoke in the debate on second reading, and both of them supported the principle of the bill. Both of them said they were speaking for their fellow members of the Liberal party. I remind them that there were some other related bills and other Liberals spoke to those bills. In fact, the present Minister of Labour (Mr. MacEachen) spoke on one of them, and indicated that the Liberals were prepared to support this kind of progressive social legislation.

Well, Mr. Speaker, on both counts I make my appeal to the house, and I make it particularly to the government. The government wants parliament to do a job; the government wants co-operation, and here is the chance to give co-operation to the private members of this house. I make the further plea that the Liberals who in opposition said this was good legislation should say the same thing today, not just by using enough words to talk it out but by giving the House of Commons an opportunity to deal with this legislation.

There are at least two ways in which this could be done. One way, the way I would prefer, would be for the house to let this motion for second reading come to a vote before six o'clock. I am sure if it did it would carry, because all the parties in the house are on record in favour of the principle

of this bill. If it carried, the immediate result would be that the bill would be referred to the standing committee on industrial relations. In previous debates some members have found fault with some of the details of this bill. Some members have quibbled over the amount of overtime pay required when people have to work on statutory holidays. This is something over which we could bargain and which we could change in the standing committee on industrial relations. It does not negate the value of the bill or the principle of the bill because members have indicated that they support the principle. I suggest that the logical course, which would show that the Liberals say the same thing on the government side as they say when they are on the opposition side, the logical course which would show they wish the co-operation of parliament, would be to give this bill second reading today and let it go to the standing committee on industrial relations.

Mr. Speaker, if that does not happen I point out, as I have already indicated, that there are 65 private members' bills on the order paper posted for second reading, so the chance of this bill coming back again is rather slim.

Now, if there are hon. members, particularly on the government side, who feel so strongly about some of the details of the bill that they do not like even voting for it in principle, at least there could be an amendment—I would not like it but I would accept it—an amendment that the bill be not now read a second time but that the subject matter thereof be referred to the standing committee on industrial relations. At least that would have the effect of this matter being studied by a committee of the house, instead of just letting it die.

The plea I am making for this bill which I now have before the house is a plea I make for every one of the 65 private members' bills on the order paper. It is a plea I make for every one of the private members' resolutions. It is not good enough for parliament to go on like this, just because we have done it for 95 years, talking out practically all the proposals private members place before the house. I repeat that a government that has asked for co-operation to get its legislation through, and a government that has been assured by us and other groups that it is going to get that co-operation, has a responsibility in this five to six o'clock hour, on this 30th day of May, and on this 38th day of decision in the life of the present government.

So, Mr. Speaker not to take up any more time and to leave room for other hon. members to make their contributions, I will close my remarks. I do not think much needs to be said. The principle of this bill has been debated over and over again. All parties are for it, and what is at stake today is the question of whether or not co-operation is going to be a two-way street, and whether or not we who are private members of the house are going to have considered the measures we place before the house.

I do not suggest that all 65 bills be passed. There are some of them I wish to oppose, and I would like to have the opportunity to record my opposition; but I think it is disgraceful for the House of Commons to talk out bills because hon. members do not want to vote against them, but yet are not permitted by the government to vote for them. The subject matter of this bill is not new. It is a bill that proposes something the people of the country want, namely legislative provision for statutory holidays with pay. This is a challenge to the House of Commons to recognize the importance of proposals put forward by private members.

(Translation):

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I wish to say a few words about this bill which is excellent. I hope that the government will show its mettle and deal with this measure which is of interest to all Canadians, especially those who have civil servants in their riding, for instance the hon. member for Hull (Mr. Caron) who has a very large number of civil servants in his riding.

I hope that he will convince his party to adopt this bill today, in order to remedy this situation which goes against the interests of the federal civil servants. The government has every reason for accepting this legislation to redress those conditions.

Indeed, the federal state must set the example. Moreover, it should be noted that, if the federal government agreed to that legislation, the provinces would ipso facto end by adopting the same measure and so would industry and business.

I hope that this bill also includes crown companies, because in St. Paul l'Ermite, in the riding of Joliette-l'Assomption-Montcalm there is a plant which is part of the Canadian Arsenals, and which employs a great number of people who have a right to their paid holidays, as mentioned in this bill. This measure affects a great number of employees whether they be crown companies or postal employees.

With regard to the post office, I think it is abnormal that at the present time, post office employees should not be paid a double

salary when working on a holiday. I hope that the Postmaster General (Mr. Denis), who in the past, has so frequently risen in the House of Commons to ask the government for better conditions on behalf of postal employees, will support the bill and ask his friends not to kill and bury it under too many flowery speeches.

Hon. Azellus Denis (Postmaster General): Mr. Speaker, may I ask my hon. friend a question? Why has his government not thought of it during the five years it was in power?

Mr. Pigeon: The answer is easy. During the last session, we had an excellent legislative program and numerous bills had been announced in the speech from the throne, but this government, together with the Social Crediters, defeated us and stopped us from enacting those constructive measures.

Those are the the only words I wanted to add, Mr. Speaker. I wish that, to show its consistency, the government would take some decision today and deal with this bill, the more so as civil servants have in great numbers supported the government during the last election, particularly in the ridings around Ottawa. Let us hope that the government will be consistent and give a fair deal to federal civil servants by adopting this bill, instead of burying it under flowery speeches.

Mr. Gerard Laprise (Chapleau): Mr. Speaker, I would like to make a few remarks with regard to Bill C-2, submitted by the hon. member for Winnipeg North Centre (Mr. Knowles). I congratulate him for being the sponsor of this bill, particularly because of his persistence in submitting it to the house in spite of his lack of success up to now.

I was quite astonished, a few minutes ago, to hear the hon. member for Joliette-L'Assomption-Montcalm ask the party in power to hasten and accept the principle of the bill, when, as he obviously knew, this very legislation was introduced on various occasions when his government was sitting on the side of the house now occupied by the Liberal party.

In short, the same old stories and the same old methods are being repeated, and this is not too surprising, since they are being used by the same people.

Mr. Speaker, the bill now before us provides for eight paid statutory holidays and it also provides that when any employee is required to work on statutory holidays, he shall receive a higher pay for such work. In fact, if my interpretation of paragraph 2 of clause 4 is correct, this pay would even be tripled.

[Mr. Pigeon.]

I believe that statutory holidays with pay are provided to make sure that the worker would not have to suffer a loss in salary when such a statutory holiday falls on an ordinary working day, during the week. That is, I believe, the purpose of paid holidays. Thus, if a fellow worker refused to work on a statutory holiday and I accepted to work, it seems to me that I should then be entitled to a higher remuneration, since I would deny myself the opportunity to take part in certain celebrations.

I therefore suggest that the intent of the measure proposed by the hon. member for Winnipeg North Centre (Mr. Knowles) deserves all our attention, for it is timely; in fact, it should have been brought forward by the parties in power a long time ago. Moreover, as the hon. member pointed out a moment ago, it is time to make legislation procedure more efficient, for I notice that the house shall have to consider 65 bills, in addition to several motions and resolutions, and we practically know in advance that the consideration of these bills is almost useless for, in the past, they have always been talked out in good style.

Mr. Speaker, it is to be hoped that this bill shall receive the attention of the government so that it can be considered more carefully by a committee on industrial relations or by a private committee even, who might be able to recommend certain amendments.

As far as I am concerned, I do not fully agree with the idea that the worker should get triple pay for work done on paid statutory holidays, but I would go along with a proposal providing for two and a half times, instead of three times the regular salary.

Mr. Speaker, in closing my remarks, I hope that this measure will be adopted this evening and not talked out, as has been the case in the past.

(Text):

Mr. H. E. Gray (Essex West): Mr. Speaker, since this is my first opportunity during this new session to rise to my feet in this house, let me first congratulate you on the appointment you hold. I am sure you will discharge the duties of your appointment with the dignity and skill which I know fits in so well with your training and personality.

The proposer of this bill has made some very interesting observations on the role of private members' bills in this house. Since he went into this question at some length

in his remarks, perhaps I will be permitted the same latitude in return. I think the hon. member suggested that if this particular bill or other private members' bills were not allowed to come to a vote in this house—at least, this is the inference I drew from his remarks—they would not be considered. While it may well be that the deepest and fullest consideration cannot be given in the hour which is allotted for the consideration of private members' bills, surely it cannot be said that even under the present rules and the present treatment a private member's bill, if it does not come to a vote, really receives no consideration.

The hon. member who proposed this bill suggested that it should be handled in two particular ways, as a sign of a changed attitude toward parliament. It would seem to me, Mr. Speaker, that while the position of private members' bills may well be worthy of study and finally changed in the way they have been treated in this house, this particular hour of our sitting is not the time to do it, in as much as I understand we are soon to have a committee on procedure to go more fully into the whole question of the way this house carries out its duties. I think that until this committee deals with the question we should not in such a peremptory way accept the suggestion of the hon. member who proposed this bill.

The mere fact that hon. members of this house—of this side of the house in particular —have in the past said that the principle of this bill is one which they support does not automatically and definitely mean they are committed for all time to supporting the bill itself. I think other hon. members—

An hon. Member: Are you going to talk it out?

Mr. Gray: I would suggest to the hon. members of the New Democratic party who are interrupting that even if that were my desire, I would not have the time to do it since I am only allotted 20 minutes today. As I was saying, as has already been suggested by other hon. members who have spoken on this bill, there are some points about it which deserve further scrutiny. I was most interested, however, to hear the views of the hon. member of the Conservative party who seemed to think that this bill in its entirety was such a wonderful thing. I wonder if he had an opportunity to consult with the parliamentary secretary to the minister of labour in the previous administration who, when the predecessor of this bill was introduced in the house during private members' hour, engaged in a detailed critique of the bill and finished his remarks, not by suggesting that it be referred to a committee for study but that it not be entertained at all at that particular time.

Mr. Knowles: Mr. Speaker, would the hon. member permit a question?

Mr. Gray: Yes.

Mr. Knowles: Does the hon. member recall that he followed that hon. member immediately and suggested that the bill should be approved in principle and referred to the committee for immediate study? His words will be found at page 1101 of *Hansard* for October 30, 1962.

Mr. Gray: Yes, I certainly do.

An hon. Member: So you have changed your position.

Mr. Gray: In the course of my remarks, Mr. Speaker, I was going to deal with the position I took then. In view of my remarks at that time I think hon. members opposite will probably be interested to hear what I am going to say now on that particular point. It is quite correct that I had the privilege of speaking in the debate last year on the predecessor of this bill, and I did say then that I supported the principle of the bill. I must say that I still support the principle of this bill. I am not at the moment in a position to say that I agree with the hon. member's bill in its entirety, word for word, comma for comma. Moreover, I do not think it would be appropriate for the hon. member or others of his party, or any hon. member in this house, to suggest that merely because I, or any other hon. member, do not see fit to agree with every particular form of wording or comma in a bill, this means a lack of support of the principle of the bill. However, I would remind the hon. members of this house that we of the Liberal party have said there should be a federal labour code, one which deals with those industries under the jurisdiction of the parliament of Canada. It would comprise legislation dealing with such matters as minimum wages, hours of work, yes, and pay for statutory holidays. I would prefer to see legislation of this type brought forward by the Liberal government which we are now privileged to have as part of an over-all program dealing with these matters.

Mr. Knowles: When?

Mr. Gray: I am confident that this legislation will be put before us in the very near future, although I must say that as yet I do not have the honour of announcing government policy. However, I personally am confident that in the not too distant future we shall see this type of legislation put before us from the government side of the house.

I took the particular position which I did last year because I was convinced that legislation of the type we are discussing at the moment would never have been enacted by the former Conservative government. I thought the views I expressed then and the suggestions I made in the course of my remarks, were the only possible way open to us in the near future, apart from an election which would bring a change of government, as it did, to bring forward legislation the principle of which I supported then and do now. But I would suggest it would be more appropriate and more effective for legislation of the type we are discussing, the principle of which I support, to come before this house through being introduced by the present government.

Mr. J. A. Byrne (Parliamentary Secretary to the Minister of Labour): Mr. Speaker, this is not a new bill by any stretch of the imagination. The hon. member for Winnipeg North Centre (Mr. Knowles) has consistently brought this measure to the attention of the house. I may say he neglected to say that although his proposals were not put into legislative form during the years when a Liberal government was in power, it remains a fact that Liberal governments both federal and provincial have, over the years, provided between 90 and 95 per cent of the good labour legislation which has been enacted. This, I feel sure, is beyond dispute.

We all congratulate the hon. member on having brought this subject again before us during the first session of the new parliament in which a Liberal government has taken over the administration. However, I think the hon. member who sponsors this bill should bear in mind the heavy program which lies ahead. We in the Liberal party do not expect to get through parliament all our proposed legislation within the next 60 days—the 60 days of decision as members opposite choose to call them. However, we envisage a large number of legislative proposals dealing with the welfare of all who labour in one field or another. The hon. member might recall that we have proposed to grant bargaining rights to all federal civil servants. It is true the Conservatives have intimated that they, too, are prepared to provide similar bargaining rights—but not when they were in a position to bring forward legislation to this end. The Prime Minister (Mr. Pearson) has said this is one of our proposals.

In addition, in answer to a question posed to him recently on the orders of the day, the Prime Minister said we are prepared to bring in a measure providing for a minimum wage in all federal undertakings. During the election campaign we said we were prepared to revise the entire labour code. This, of course, is bound to be an extensive undertaking. We have also said we intend to amend the act providing for vacations with pay. The terms of the present act provide for one week. This seems to be the very minimum of vacation which could be offered and, as I say, we have indicated we intend to move ahead in this field. In our revision of the labour code we propose also to provide for maximum hours of work in any working week.

I realize it would be gratifying to the hon. member for Winnipeg North Centre if we were to accept his bill holus-bolus at this time but I think that on reflection he will see the wisdom of providing for an over-all revision of labour questions as far as the federal jurisdiction is concerned.

The hon. member says it will be a simple matter to get this legislation through parliament. It would not, he says, require much time. But I say to members of this house that even if he and his colleagues are not working to capacity at this time, to carry this measure further would certainly add to the work to be undertaken. The important thing in June of 1963 is to get people to work, to get legislation through which is going to provide jobs for people. That is the primary task which faces us, rather than providing ways of ensuring holidays and so on. There are still many hundreds of thousands who are looking for work.

I was interested in the short and concise speech made by the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon). It was interesting to note, and I noted it with pleasure because I am sure we will be calling upon his support when the government brings in an over-all revision of the labour acts in this parliament, that his party seems to have changed their attitude very greatly since the last session. The hon. member for Essex West (Mr. Gray) pointed out that quite a definite stand was taken against the acceptance of this bill. From looking at some of the terms of the bill I think the hon. member will admit that a considerable amount of study will be required to determine just what would be the economic effects on shipping on the great lakes, on railroad operating crews, who doubtless will soon be going into negotiation, and who I believe as a matter of fact are in negotiation. Also hospitals and other services which are required to carry on a continuous operation are affected. Even the legislation that is provided in the province of Saskatchewan, to which I believe the hon. member referred, makes certain provisions

exempting the government from the requirement to pay two and a half times the base pay.

If I might read from a publication issued by the Department of Labour in December 1962 under the former minister, the hon. member for Ontario (Mr. Starr), entitled "Provincial Labour Standards", there are two paragraphs here which are relevant. This is respecting legislation in the province of Saskatchewan:

> If required to work on a holiday, employees in all work places except hotels, restaurants, hospitals, nursing homes and educational institutions must receive, in addition to their regular pay for the holiday, time and one half the regular rate for every hour or part of an hour worked, in effect, two and one half times their regular pay.

The key word there, of course, is "except". They are excepting hospitals, restaurants, hotels, nursing homes and educational institutions.

It is also to be noted that the legislation in this province, this great socialist utopia, does not go quite as far as is indicated in Bill No. C-2. Two and one half times the base rate is really not consistent with the purposes of the legislation. With all due respect to the hon. member, I would say that he has taken a more realistic attitude and has provided, in effect, for triple time, or three times the going rate. This, in my opinion, is more consistent, for after all the purpose of requiring punitive pay is in order to prevent where possible an employer working anyone on a statutory holiday. I recall negotiating perhaps the first agreement in the mining industry providing for pay for statutory holidays. I recall at that time the members of the committee seeming quite happy to accept time and a half for statutory holidays. This indeed is retrogressive. This does not do anything. It merely provides that an employer may continue to employ his workers and just as if it were a week end to pay no more than half a day's punitive pay. This having established the fact that payment will be made for no work, then accepting double time is, as I say, simply retrogressive. It means that any man can work on a statutory holiday and it costs nothing. There is no punishment or anything punitive about the legislation at all. So in order to be consistent triple time is the point at which we should arrive. As I said earlier, in 1947 Saskatchewan brought in this legislation but have done nothing about it since. They are still only given time and a half to an employee working on a statutory holiday so that it is not really a punitive measure.

I am sure that the hon. member on reflection—

Mr. Knowles: Would the hon. member, before his time runs out, permit a question?

Mr. Byrne: —will appreciate that we recognize—

An hon. Member: He is deaf.

Mr. Byrne: —that on principle this is a good bill, but it should be a matter which comes along in our over-all endeavour to improve the entire labour code.

Mr. Knowles: Would the hon. member permit a question? Does he on reflection believe the workers or the voters of his constituency sent him down here to oppose or to block this bill?

Mr. Byrne: I have already indicated to the hon. member that I came here to provide good legislation. I did not come here to oppose anything that is good, but I am saying—

Mr. Deputy Speaker: Order. I regret that I must interrupt the hon. member and advise him that his time has expired.

Mr. Francis: Mr. Speaker, I do not intend to speak at any length—

Mr. Pugh: Mr. Speaker, I am sure all hon. members would like to hear the conclusion of the answer of the hon. member for Kootenay East as to why he came to Ottawa. I wonder whether he could be allowed to finish his sentence.

Mr. Deputy Speaker: Order. The hon. gentleman's time had expired and he would require the unanimous consent of the house to continue his speech. Is it agreed unanimously?

Some hon. Members: Agreed.

Mr. Byrne: It is my pleasure and I thank the house for its consideration. I am certainly very happy to accept. As I understood the question it was whether I had been sent here to oppose this legislation.

Mr. Knowles: The hon. member for Kootenay East.

Mr. Byrne: The hon. member for Kootenay East. I can say categorically that I was not sent here to oppose any good legislation and the hon. member for Kootenay East will not oppose good legislation. I am simply pointing out to the hon. member how I believe it can be best prepared and brought forward. The important thing now is to get people to work. We believe this is the important thing at this time. Certainly there are other matters that are very worthy of consideration and which could perhaps be taken up at a later date.

Mr. Lloyd Francis (Carleton): Mr. Speaker, I want to make it clear that I think the principle of the bill is an excellent one and

one with which I do not think any member on this side of the house would quarrel, in terms of the objective set forth. I am concerned about one or two aspects of the application of the bill which I think could bear closer examination, notably the type of employment to which it applies. There is no mention, for example, of employment in hospitals where certainly the federal government has a number of people who are very much concerned with continuous operation and are obliged to work on statutory holidays.

It seems to me that the question of the regulation of hours for certain categories of employment, and not only hours but statutory holidays, is a matter which in certain instances should be allowed to go to arbitration. As a member of this house I hope to be able to support legislation which will provide the right of compulsory arbitration on matters which are in dispute between the government as an employer and those associations that represent the employees of various crown corporations and the departments of the government service.

As I read and understand the bill, the problem here is that the application of section 4, for instance, in the case of hospital services where continuous operation is required would lead to unequal pay for particular periods for people doing the same work. If a person worked on a statutory holiday he would be paid at one rate. If by reason of the nature of the shifts he was obliged to work on a holiday he would get a premium in respect of that week. Therefore the pay cheques of different employees doing the same kind of work and working the same hours in that week would not be the same at the end of the week.

The appropriate machinery to rectify such a situation would be by negotiation with recognized employees associations, and by arbitration. I hope it will be possible to devise legislation that will give employees this right. This is certainly something which has been supported by members on this side of the house and I am firmly of the opinion that amendments to legislation governing the civil service generally and granting this right to employees would be a more effective and equitable means of dealing with the question of compensation for employees on shift work who work side by side and where one works on a statutory holiday and another does not with the result that at the end of the week their pay cheques are different in spite of the fact that they have performed substantially equivalent service at the same level of responsibility.

In this day and age I do not think anyone is prepared to say that we are going to be so backward in employing people as to deny employees statutory holidays. The problem has been one of administrative interpretation and lack of uniformity of interpretation and it may well be that the appropriate answer will have to be found in legislation.

As a new member of the house this is the first piece of legislation on which I have had the privilege of speaking. Under the type of procedure to which I have been exposed there is an opportunity to bring forward, examine and possibly rectify questions of this nature within the scope of a regular procedure. I am in favour of such a process in this instance which would guarantee equity to everybody concerned. It seems to me that this is essential before we adopt legislation, because once it is adopted it is not easily changed.

Mr. Knowles: Question.

Mr. Francis: Mr. Speaker, I want to make it abundantly clear that in my opinion the most effective means of dealing with hours of work, overtime and overtime on statutory holidays is within a framework which guarantees full collective bargaining with the right to independent arbitration at the end of the bargaining process. I hope we will see the day when this right is guaranteed as part and parcel of the rights of civil servants and those employed by crown corporations and other government services.

Some hon. Members: Question.

(Translation):

Mr. Francis: Mr. Speaker, I was pleased to hear the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) say a moment ago that he was altogether in favour of this legislation.

(Text):

May I call it six o'clock, Mr. Speaker.

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

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

NATIONAL DEFENCE

APPOINTMENT OF SPECIAL COMMITTEE

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

That a special committee be appointed to consider matters relating to defence and to report from time to time its observations and opinions thereon; that the committee have power to send for persons,

papers and records and to examine witnesses; that it be empowered to adjourn from place to place; that standing order 67 be suspended in relation to the committee; and that the committee consist of 18 members to be designated by the house at a later date.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, it is with a great deal of satisfaction that I approach this debate concerning the establishment of a special defence committee. It is something for which I have asked a number of times during the last parliament, and I believe it is the answer to much of the confusion that presently exists, not only within this house but across the country in relation to what the actual defence needs of this country are. I should like, for a moment, to refer to remarks I made on January 24 when we were in the midst of the last defence debate. I referred the then prime minister to the fact that a defence committee could be the answer to the dilemma in which he found himself. I quote from *Hansard* of that date, page 3091:

> The Prime Minister so far has refused to set up an all-party parliamentary committee on defence. We believe he is wrong in this refusal. It would be well for him to remember that this is a house of minorities and that neither he nor any of us knows which political party will be responsible for Canada's government and defence policy even three months from now. We ask that all parties together may have a chance to work out with proper information a constructive policy for our country in its relations with other nations of the world and in our own internal policy in which Canadians of every political allegiance can have confidence.

I believe that those words were true then, and they are just as true now. Therefore, we do give our wholehearted support to the setting up of a defence committee, with the hope that in the light of the remarks which the Prime Minister (Mr. Pearson) made this afternoon in relation to the committee's terms of reference there will be an opportunity to carry through to the real objectives of such a defence committee. This committee should be the means of assisting the government and assisting all of us in understanding what our defence policy should be.

The other day the hon. member for Battle River-Camrose (Mr. Smallwood) stated he felt there was no need for minority parties. It might be an embarrassment, nevertheless, he must realize that some 25 per cent of the electors, or some two million voters during the last election turned to an alternative to the old line parties because the old parties have not faced up to their responsibilities in government.

In so far as this defence committee is concerned, I believe we have evidence that this has been a worth-while suggestion made by our party. Defence is too important a subject to be swept under the rug or to become the pawn of this political chess game. The lives of our people and the future of our country are involved. There is no doubt that the defence issue is, even at this time, a confused picture. Both the major parties have undergone a reversal of policy in connection with nuclear arms within the past few years. We have heard a great deal from the members of the official opposition about the reversal of policy which the Prime Minister has seen fit to make within the past year. This is well known. It was clearly stated over and over again during the last election campaign.

However, the Liberal party is not the only party that has reversed itself in the last couple of years. This is a fact that has become more or less obscured in the charges which have been levelled at the Prime Minister. I should like to refer to the issue of *Hansard* for February 20, 1959, where I find these words, at page 1223:

> Under the irresistible dictates of geography the defence of North America has become a joint enterprise of both Canada and the United States. In the partnership each country has its own skills and resources to contribute, and the pooling of these resources for the most effective defence of our common interest is the essence of production sharing. Believing that parliament and the people of Canada are determined that this nation shall play its full part in terms both of quantity and quality in deterring and resisting aggression, the government intends that the Canadian forces will be well equipped and well trained for the Canadian share of these tasks in a balanced, collective defence.
>
> In keeping with that determination careful thought is being given to the principles that in our opinion are applicable to the acquisition and control of nuclear weapons. The government's decisions of last autumn to acquire Bomarc missiles for air defence and Lacrosse missiles for the Canadian army were based on the best expert advice available on the need to strengthen Canada's air defence against the threat to this continent, and on its determination to continue an effective contribution to the NATO shield.
>
> The full potential of these defensive weapons is achieved only when they are armed with nuclear warheads. The government is, therefore, examining with the United States government questions connected with the acquisition of nuclear warheads for Bomarc and other defensive weapons for use by the Canadian forces in Canada, and the storage of warheads in Canada. Problems connected with the arming of the Canadian brigade in Europe with short range nuclear weapons for NATO's defence tasks are also being studied.
>
> We are confident that we shall be able to reach formal agreement with the United States on appropriate means to serve the common objective.

Those were the words of the leader of the official opposition. It has, then, become very evident that not only has the party with the responsibility of forming the government at this time changed its stand completely on defence, but so has the Conservative party.

It is not necessary at this time to go back and review the situation which led up to the cancellation of the Arrow. This was not just the cancellation of a project but was the

actual sweeping out of an industry. Bomarc bases when installed cost some $700 million. We have just read that they are practically useless without nuclear warheads. Here was a decision to spend $700 million, and a moral commitment not only to the taxpayers of Canada but to the government and people of the United States. When we talk about there not being a commitment we are not facing up to actual facts, because certainly the fact that these bases were constructed and carriers were acquired points to a policy. In the developing picture of science and technology, including military equipment, there is nothing wrong with declaring a weapon to be obsolete if the facts are that it has been replaced with something more effective. However, we must be honest with the public and ourselves.

I believe that the confusion which has developed in regard to defence has come about through the inability and failure of our leaders in government to face up to the fact that some of these things are taking place. I have no objection, if what is being done is in the best interests of the nation in the light of the circumstances at the particular time it is done. In this situation, particularly here in parliament, nobody in the opposition can actually evaluate what a defence policy ought to be unless he is given the basic information and all the facts that are involved.

Therefore I think it is the responsibility of the government, which itself has the responsibility of forming policy and implementing it, to see that the opposition are at least informed of the facts and information which they must have if they are to judge the position with any intelligence at all.

Any defence policy which comes out of this parliament should have the confidence of every party in the house. Granted, it is the responsibility of the government to declare policy, but it is also the responsibility of Her Majesty's loyal opposition to know what that policy is, and second, why it has been adopted. That is why I think in a matter such as defence, which is vital to the well-being and the survival of our country, that the government face up to the responsibility of seeing not only that its members are informed in so far as possible, but also of seeing that the opposition have the facts which caused the policy to be stated in the first place, and then to know what the policy actually is.

We on this side of the house are pleased that the government has seen fit so quickly to bring in this resolution setting up the committee to deal with the thorny problems of defence. I maintain these problems cut across all party lines, and therefore the best way of seeking to solve our problems is to do it on a non-partisan basis. This is not something new in other countries. It may seem strange and may be new to us here, but we should be able to learn objective lessons from others that can help us in the things we are actually dealing with now.

I am gratified that the minor parties are going to have fair representation on this committee, and therefore we were very pleased to support the enlargement of the committee from 18 to 24 members. I would again remind the government that the two smaller parties represent some 25 per cent of Canadian public opinion so far as voting strength is concerned, and that it is absolutely necessary to have this representation which is being allowed at present. This has made it possible for both smaller parties to have at least two members on the committee, something which is essential.

It was also heartening to hear the Prime Minister speak this afternoon and say that this defence committee will have the opportunity to discuss policy. This brings me to the point that I believe we should be carefully considering the terms of reference upon which the committee will base its work. If it is just another committee, as someone has said, to provide a means of getting away from responsibility, then that is not good enough. If it is a committee that actually goes to work and assists not only the government but all of us in our understanding of what the defence policies of our country should be, then we must outline the terms of reference.

I note that it will be possible for this committee to call witnesses regarding past and present events and future possibilities, that may have influenced what our policy should be today, and will influence what it might be tomorrow. Once more I say these terms of reference are essential, simply because parliament has a responsibility to itself in regard to defence matters.

As I listened to the Prime Minister this afternoon it seemed to me he was making a great thing about the fact that the committee will have the opportunity to discuss policy, but on the other hand, unless the terms of reference of the committee go further than that, then it will not be able to accomplish at least what I expect it can and should accomplish. Therefore I would suggest that the following points should be considered by the government, and also by the committee before it actually gets down to work. There may be other points involved, but as I think over the confused picture of our defence needs and what our defence policy should be, these points come to me as being the most important.

One is the anticipated pattern of potential aggression against Canada. We all agree that

we are not interested in any kind of offensive war, or even offensive weapons. We are interested in defending ourselves and at the same time carrying out our full share of responsibility in our struggle for the peace every Canadian looks for, and which I am sure we all agree is our responsibility to strive to achieve.

Second, what is the degree of subversion against Canada, and correlated with that what is the position of our security arrangements? This is something about which I am concerned. I recall that last February the Ottawa *Citizen* made mention of an information blackout which had been ordered by the government in 1960. I believe the former prime minister, former external affairs minister Green, and public works minister Fulton were involved in it. In this regard there must be as much classified information as possible made available to the committee. This means that it would have to be treated at times as confidential information, but it is the only manner that parties can be informed in an understanding way of the reasons why our defence needs are as they are.

Another point is, how far are peace and disarmament movements expressions of public opinion? We have a large number of peace and disarmament movements, all very vociferous in expressing their objection to the acquisition of any type of nuclear defence weapons, I am concerned, and I believe the public are as well, with the question whether or not some of these movements are legitimate, taking into regard the security of the nation.

Another point is, what forms of defence are practical within our physical ability and within our resource capability? We want to safeguard our country and carry out our responsibilities to our neighbours and friends, on this continent and throughout the western world, to the maximum degree of our ability but, Mr. Speaker, there are some things we can do well and there are some things which are more difficult for us to do. We agree we cannot have a defence policy of our own, entirely by ourselves. It can only be effective as we co-operate with our neighbours and our friends. I think the committee should be able to investigate this question very carefully. I would much sooner see our defence contribution worked out in such a way that we contributed to over-all projects instead of being just a splinter part of larger projects which are beyond us. I am sure the value of the surveillance of our skies, our waters and the radar surveillance of our northland is something that we understand as being within the reach of our capabilities. But trying to become a militaristic nation is something for which Canada does not have the resources and for which I do not think we have an over-all obligation. If we can work out with our friends and neighbours where we can make the greatest contribution, I think we will get the best value for our defence dollar.

Another point is this. How far do foreign policies and trade policies relate to and tie in with our defence needs? I do not think it is possible any longer, particularly in the light of the cold war and the enemy which we face in it, to separate completely our trade policies and foreign policies from our defence policy. Our enemy does not work that way. These ideals, which have been passed on to us through our heritage, simply do not meet our needs today because the enemy that we face does not follow that kind of a code. Therefore I think this committee ought to be concerned with studying these matters and recommending back to parliament and the government the degree of co-ordination which should exist between foreign trade policy, external affairs policy and defence.

We hear a great deal about military defence and we speak about the department responsible for it as the department of defence. All the while we make it very clear both to ourselves and to the world that we are a country of peace. Canada has done a great deal to further the cause of peace. On the other hand, I do not think we should ever take for granted that what we are doing is sufficient. I believe this defence committee should have within its terms of reference the authority to study and investigate every possible means of furthering peace and reaching the objective not only of nuclear disarmament on a multilateral basis but also of disarmament on a much wider scale than that. This is work that a committee can do.

There is an opportunity before us, in the setting up of this committee, to prove that there is a value to committees. To carry out some of the studies to which I have referred would mean that the committee would probably have to be divided into subcommittees, who would report back to the main committee on certain aspects where specialization and time is a prerequisite. That in itself would be good. But if we are to add to the collective knowledge which must be used to judge this tremendous problem of maintaining peace, and at the same time maintaining adequate defences for our country, we must broaden the base as far as we can. Therefore to object to such a committee being set up now is, I think, burying one's head in the sand in regard to the facts and procedures which should now be used by parliament. Let us not maintain the status quo just for the sake of maintaining the status quo, any more than we should criticize just for the sake of criticism.

We are told that the recent NATO council meeting which was held in Ottawa did not accomplish very much. I think the very quietness of this meeting was due to the fact that there is no crisis at this time. We may tend to prejudge the effectiveness of NATO simply because at this particular time there does not happen to be a world crisis facing us. But let us not let that condition fool us into thinking that we are at peace in this cold war and that things are coming our way. The cold war is just as real as it ever was, simply because our enemy in the cold war has promised that it will not stop until it destroys the very way of life which we regard as the only way that civilization can survive in the world. It is therefore very important that we take every precaution to make sure that our defences are adequate and that the policy we are using to provide these defences is the right one.

The cold war is not one of our choosing. We the Canadian people want nothing more than to live in peace, to live in peace with ourselves and our neighbours, having the objective of developing the human and material resources of the world. But we are at war with communism because communism is at war with us. We must be on guard to make sure we are aware of the dangers and are prepared to meet them, not after they have met us but before they reach us.

I am sure the people of Canada want to be informed to the extent that technical and classified information can be given to the public. We all want to do our part, however humble our situation, in making sure that peace is maintained. So it comes back to us in parliament to make sure that this defence committee does clear away the confusion that exists about defence. This is not a confusion only in the minds of we who are in parliament or the members of the public. Even the technical people themselves seem to be confused, because you often get one answer to a question from one person, and another answer to the same question from another person. This is illustrated by what we have all seen reported in the press.

We have maintained a policy since the end of world war II that the only way we can have peace and win the cold war is to contain the threat of communism. This policy has been right. Those who are critical of the necessity of spending money for defence and who question our defensive measures ought to remind themselves that probably if we had not had these defence policies since the end of world war II Europe, and who knows, maybe North America, would have been overrun by communism before now.

Public confidence has been shaken by this game of old party leapfrog regarding our defence policy. Confidence will be restored when it is known that representatives of all parties have had the opportunity to inform themselves and understand the weighty and difficult problems which influence decisions on matters of defence policy. That is why, again, we are pleased this committee will be set up, and look forward with a great deal of expectation to seeing it play a constructive part in this over-all defence picture.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I rise for the purpose of supporting this motion to set up a special select committee relating to defence matters. I had hoped that the motion to set up this committee would be the occasion for a full-dress debate on the broad concepts of Canada's defence policy.

I must say I was disappointed that neither the Prime Minister (Mr. Pearson) nor the Minister of National Defence (Mr. Hellyer) have made any statement to this house outlining in broad and general terms the policy which the government proposes to follow. Naturally, we do not expect them to give a detailed program at this time; that will be part of the functions of the committee. But before the house even met, ministers of the crown were constantly stating there would be an early opportunity for a full debate on defence matters. It is true that during the debate on the address there was a discussion of one narrow aspect of defence, that of nuclear arms in connection with the amendment I moved. However, the subject of national defence is a much broader question than the subject of nuclear arms. I still expect the Minister of National Defence to make a statement in the course of this debate in order that the country and the House of Commons may have a clear statement before them outlining the position the government takes with regard to defence matters. The minister of defence has never been a shrinking violet in talking about defence outside this house, and one would not expect him to be shy in this public forum.

We are supporting this motion because we believe a defence committee can serve a useful purpose. We believe it would have proved still more useful had it been set up *before* the government committed itself to a nuclear policy, rather than *after* the government has committed itself publicly to other countries and, apparently, to the ministerial council of NATO. It is difficult to evolve a non-partisan defence policy when a partisan defence policy has already been adopted in spite of the fact that there has been a division in this house on the question.

The value of the work which this committee can do will depend on whether it is permitted to deal with broad policies of

defence and international affairs, because these fields touch each other at so many points that they cannot be separated. It would be greatly preferable for the committee to discuss these larger aspects of the subject rather than that it should become immersed in technical details of military equipment and expenditure. I was glad to hear the Prime Minister say this afternoon that the terms of the motion, "all matters relating to defence", would include policy matters. Since I take it that the present motion constitutes the terms of reference of the committee, I trust that whoever is chairman of the committee will interpret the terms of reference as broadly as did the Prime Minister this afternoon. Certainly, as far as the New Democratic party members on that committee are concerned, they will insist that the committee's attention be primarily directed toward policy and Canada's role in the world defence situation.

I think everyone agrees that Canada needs a clearly defined defence policy which is consistent with her needs and in keeping with her economic resources. The Romans had a maxim: "If you wish for peace prepare for war". Captain Liddel Hart in his book "Defence or Deterrent" tears that argument to shreds and says: "If you wish for peace, understand war". When the Romans uttered their well-known maxim, what they really meant was that in times of peace one should prepare for victory. The world situation has changed tremendously since 1945 when the atomic era was ushered in. No country now can prepare for victory, because in a nuclear war there is no victory, only annihilation; and there can be no victor, only a nation which in the process of destroying its adversary would itself become a wasteland.

Canada has never had a clearly defined defence policy. We have had only a functional approach throughout our history. This is due to the fact that for many years we had a semi-colonial status and our defence policy was tied in with that of Great Britain. In the South African war our military forces became part of the British expeditionary force. In the first world war it was only with great difficulty that Sir Robert Borden and Sir Samuel Hughes managed to retain the identity of the Canadian corps. Even in the second world war, many of us will remember, the minister of defence for air, Mr. Chubby Powers, fought a long battle to keep the R.C.A.F. from being absorbed in the R.A.F. The reason we had a functional approach throughout this long period of our history was that Great Britain was one of the great military powers in the world, if not one of the greatest, and we sheltered behind the protection of the British navy. But in the past few years two great military powers have emerged and the world has polarized around them. Canada must now enunciate a defence policy of her own in the light of this polarization. To use the words of James M. Minifie we now have the choice between becoming peacemaker or powder monkey. We have to decide whether we are to play an effective role in the world community or whether we are to become a military satellite of one of the great powers.

We in this group believe that Canada's defence role must of necessity be built around three centres, because there are three agencies with which we are now associated in matters of defence, namely, the United Nations, NATO and NORAD. What I assume this committee will be discussing is the order of priorities—where the emphasis should be laid. A defence policy, to have any merit in a changing world, must be a flexible policy so that the emphasis can change from year to year and from decade to decade.

The first agency to which I referred is the United Nations. In a world where nuclear war means disaster for all who participate, collective security on a world scale is the only answer. Regional pacts and military alliances should never be accepted as more than temporary expedients. The danger is that we shall come to rely too much upon regional defence pacts and resist the transfer of power to an international authority. If we are ever to build a world community based on the rule of law, there must be over the years this gradual transfer of authority and power from regional pacts to a world police force.

Clemenceau once said that war was too important to be trusted to generals. I submit it is indeed more true of peace. The great danger is that having built up military alliances we shall think solely in terms of military alliances because of those who have a built-in interest in maintaining those regional military alliances. It was a great soldier of the last war, president Eisenhower, who put this matter very succinctly in his farewell address to the American people in 1961. This is what he said:

> We have been compelled to create a permanent armaments industry of vast proportions. Added to this, three and one half million men and women are directly engaged in the defence establishment. We annually spend on military establishment security alone more than the net income of all United States corporations.

Then he went on:

> In the councils of government we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military-industrial complex. The potential for the disastrous rise of misplaced power exists and will persist. We must never let the weight of this combination endanger our liberties or democratic processes. We

should take nothing for granted. Only an alert and knowledgeable citizenry can compel the proper meshing of the huge industrial military machinery of defence with our peaceful methods and goals so that security and liberty may prosper together.

I think that is a warning that all nations might well heed.

In his book "Juggernaut: The Warfare State", Fred J. Cook has pointed out that in 1961, in the United States, 100 top corporations alone got $21 billion of army procurement orders, with General Dynamics leading the field with $1,260 million; and that 86.4 per cent of all the army purchases were awarded without competitive bidding. The Herbert investigating committee in 1959-60 in the United States found that more than 1,400 retired officers from the rank of major, up, were employed by the top 100 corporations, including 261 generals or officers of flag rank. General Dynamics alone had 27 retired generals and admirals on its payroll.

We suggest that if this nation of ours and the other nations of the world are to move steadily toward the idea of collective world security, we must not allow those with a built-in interest in maintaining military alliances to prevent the evolution of a world police authority. It is in the United Nations that Canada can make its major contributions to the peace of the world. We can make it in many ways. We can make it by supplying conventional forces for policing action as we have already done on a small scale. Canada has the confidence of the Afro-Asian nations in a manner which is not enjoyed sometimes by other white nations. We have no territorial ambitions, we have no imperialistic designs, so oftentimes our forces can be used when other countries' forces are not acceptable. The fact that we are going to become a nuclear power may make us less acceptable, but certainly we have been acceptable in the past and we could be acceptable in the future.

Highly mobile mechanized Canadian conventional forces is one of the major contributions which Canada could make to a world police force. We could contribute through the United Nations by increasing supplies of food, raw materials and personnel with technical know-how to assist the undeveloped countries of the world. Mr. Speaker, we who are members of this house know very little about Canada's economic program. If one contrasts this with the United States, where a congressional committee examines every detail, in some cases visits the countries to look at the various projects which are undertaken by that very generous nation, we would see how little we know about what Canada is doing and how very little interest, in the main, Canadians take in this question. We would then begin to realize how much more of a contribution we could make.

The world has paid tribute to the great contribution which was made to the rehabilitation of Europe by the Marshall plan. Why not a Martin plan for Canada? Why not a bold and imaginative program for Canada? We are spending at the present time $60 or $70 million on economic aid. We could spend five or ten times this amount. This would, in the long run, make a greater contribution to peace than many of the purposes for which we have spent money on defence over the past 15 years.

The second agency around which a defence program must be built is NATO. The original purpose of NATO was to stop the spread of Russian armies across western Europe, and in this it has been successful. Tactical nuclear weapons were suggested for NATO largely because of the preponderant superiority of the Russians in the field of conventional weapons and manpower, and because the strategic deterrent, the intercontinental ballistic missile, was not at that time in a state of complete readiness.

The use of tactical nuclear weapons was based on the military theory of limited nuclear war. The interesting thing is that today most of the military thinkers who espoused this theory are now reversing their position. One of the greatest military thinkers in the United States, Henry A. Kissinger, who first advanced the idea of limited nuclear war has now called a halt. These are his words in making up a long article on this question:

In these terms the nuclear establishment on the continent is both dangerous and useless. It is dangerous because it may make inevitable the limited nuclear war both Mr. McNamara and Mr. Gilpatric have declared is certain to escalate. And it is useless because it will merely duplicate attacks on targets already covered by our strategic forces.

Mr. Gilpatric, the under secretary of state for defence in the United States, put it very clearly when he said:

I, for one, have never believed in a so-called limited nuclear war. I just don't know how you build a limit into it once you start using any kind of a nuclear bang.

The fact is that the real defence of the west today lies in the strategic nuclear deterrent in the form of intercontinental ballistic missiles. There can be no doubt that this deterrent has now reached staggering proportions. Dr. Lapp in his book, "Kill and Overkill", says that the United States now has sufficient nuclear capacity to destroy every person in the Soviet union ten times over and that the Soviet union has the nuclear capacity to destroy the United States five times over. It may well be that we have

reached the stage in world armaments of overkill, that we may have reached the stage where we must start to find some way of withdrawing rather than adding further to the great stockpile of nuclear weapons. Mr. McNamara, defence secretary of the United States, said before a congressional committee:

> There is no question but today our strategic retaliatory forces of bombers, missiles and Polaris are fully capable of destroying Soviet targets even after absorbing an initial nuclear surprise attack.

It seems to me, therefore, a sad thing that Canada is contributing to the nuclear force at the very time when the whole trend of military thinking its toward conventional weapons. The weapons which we contribute to NATO cannot by any stretch of the imagination be called defence weapons. The Honest John artillery rocket has a explosive capacity of 60 kilotons, three times as powerful as the bomb that wiped out Hiroshima. This is hardly a defensive weapon. It was said the other day by Judge Thorson that the CF-104 Starfighters will carry a bomb with a one megaton explosive capacity. When the government was asked last Monday whether or not this was correct it was neither confirmed nor denied.

These Starfighters have a range of 1,000 miles. This does not mean a deterrent against the Soviet union. This means laying waste to the cities of East Germany, Czechoslovakia, Hungary, Rumania and Bulgaria. This is hardly likely to fan the hopes of peace in central Europe when we talk about equipping the Starfighter with a weapon capable of wiping out any one of the great cities of Canada. We should remember moreover, that when we equip the Starfighter with nuclear weapons we will have to remove them from French soil because of the provision of the French government that they will not allow nuclear weapons on French soil unless they are solely under French control.

In spite of the genuflections by the ministerial council of NATO last week in the direction of peace I for one, and I think my feelings were shared by many people, had grave misgivings about the statements which emanated from that conference. There was constant repetition of "our adversary" as though we were already at war. We believe that the day must come when NATO will become a part of the United Nations police force, and if we do not work toward that end then we risk the danger of NATO becoming a focal point of a military alliance for promoting the military and territorial ambitions of a rejuvenated and remilitarized Germany.

Moreover, Mr. Speaker, I suggest that we cannot separate defence from diplomatic programs to relieve tensions. It is not enough to keep on building up armaments against an alleged adversary. Side by side with defensive programs there must go a diplomatic program to relieve the tensions and the causes that lead to war. Not much progress has been made, and I think not too much good will on either side has been shown, about finding a solution to the Berlin crisis and in bringing about military disengagement in Europe.

May I say a word now about the third agency, NORAD. Under this agreement Canada was to join with the United States in continental defence. We were to accept Bomarc missile bases and to supply CF-101 or Voodoo planes, and this was for the purpose of repelling an attack by manned bombers. But today even Mr. McNamara, the defence secretary of the United States, says that the Bomarcs are losing their military value. He told a congressional committee that if it were not for the fact that it cost only some $20 million a year to maintain them he would suggest scrapping them.

Today the situation has entirely changed from what it was when NORAD was set up. The real threat today is from intercontinental ballistic missiles and against these there is no known defence at the present time except a counter-attack by other I.C.B.M.'s to knock out the opponent's missile bases. I must say, Mr. Speaker, that I wonder whether this is not the real reason why we are being pressed so hard to accept nuclear weapons on Canadian soil. Certainly this seems to be the view expressed by General Simonds, who was chief of staff of the Canadian corps in 1941 and who had a distinguished military record in the last war. I quote now from the Toronto *Star* of February 20 where it says:

> General Guy Simonds, former Canadian army chief of staff, suspects that the main reason the United States is "pressuring" Canada to accept nuclear warheads for its Bomarcs is to establish the principle that the U.S. may establish nuclear bases on Canadian soil.
>
> "That is the only explanation that makes any sense," he said in an interview. "Even when Canada was making the decision to accept the Bomarc in 1959 military men in the U.S. were saying it was useless as a defensive weapon. Our poor little Bomarc bases couldn't knock out more than .0001 per cent of an attacking force. They will not defend Canada. They will not defend America, they do not make the slightest bit of difference in the present world balance of power."

Then he goes on to give what he thinks is the real reason for this pressure. He says:

> "Within six months of the time Canada agrees to accept nuclear warheads for the Bomarc, I am convinced the United States will declare it obsolete and recommend another nuclear weapon. And by accepting nuclear warheads for the Bomarc we will have established the principle that will make it virtually impossible to turn down later proposals of a similar nature, no matter how much against our national interest they may be."

I hope this committee will call General Simonds and some of the other military experts in this country because I have the uneasy suspicion that the Bomarcs are not the issue at all; that eventually we shall be asked to station intercontinental ballistic missiles in Canada on the theory that the only way we can defend this continent is to have the capacity to knock out missile bases in the Soviet union in Siberia or in some other part of the world.

There is a growing uneasiness across this country as to why Canada at this time, when almost everyone from the President of the United States, down, is speaking of the growing importance of conventional weapons, at a time when there is no longer any inferiority of the west as compared to the east with regard to nuclear capacity, should acquire nuclear arms both under NORAD and under NATO. No explanation has been forthcoming for this complete about-face on the part of the government. One need only go back to November 14, 1961, at which time everyone saw the printed letter which the Prime Minister sent to the voice of women organization. In this letter, he said:

> I was very glad of the opportunity to receive the delegations from the voice of women and the Canadian campaign for nuclear disarmament when they were in Ottawa last week. As I mentioned to them, I have always maintained that the nuclear powers should not be expanded and that Canadians should not accept nuclear weapons under either national control or jointly with the United States.

This is signed, "Yours sincerely, L. B. Pearson". This statement is less than six months old. This is why there is an uneasy feeling that we have not been told all the facts; that there is some reason for this complete about-face. One of my colleagues has already made reference to a book that was published last year entitled, "The Liberal Party" and written by one J. W. Pickersgill, who has very kindly autographed this copy for me. I might say that I bought it at a newsstand. It is one of the best investments I ever made. I think it will become more valuable as the years go by and as more and more promises fail to materialize. At page 133, the writer of this book says:

> We do not believe, however, that it would strengthen the nuclear deterrent to equip the Canadian forces with nuclear weapons under national control. We hold this opinion, not on moral grounds but because we do not believe that Canada, by becoming a nuclear power itself, should provide any other country with an excuse to equip itself or its satellites with nuclear weapons, thereby increasing the number of nuclear powers.

I draw attention to the last phrase, "—thereby increasing the number of nuclear powers". At that time the writer thought that the acquiring of nuclear weapons made one a nuclear power. There was none of this hair-splitting chauvinism to the effect that you have not become a nuclear power, you have not joined the nuclear club, until you have become an independent nuclear nation. There was no suggestion of that then.

The writer goes on as follows:

> Moreover, it is quite clear that the Canadian forces will never have nuclear weapons under exclusively Canadian control, unless Canada manufactures her own weapons which we cannot afford and do not desire to do. The Liberal party believes that Canada can make a more appropriate and effective contribution to the joint defence of this continent and to the military alliance of the free world by strengthening the so-called conventional armaments of the Canadian forces than by seeking to become a very junior nuclear power, with a limited supply of nuclear weapons which, in present circumstances, could not be under Canadian custody.

The only reason we have been given for this complete political somersault in the course of a few short weeks is that there was a commitment made by the previous government. I do not know of any better reply to that than the one which appeared the other day in the Toronto *Daily Star,* a well known Liberal newspaper, not one of the new acquisitions of the Liberal party but one that has been traditionally with the Liberal party. This editorial is dated Tuesday, May 28, 1963 and reads as follows:

> The Pearson government misleads the public when it claims it is accepting nuclear warheads only because of a "commitment" made by the former Diefenbaker administration.
>
> The Liberals fostered this myth during the election campaign, despite repeated denials from former Prime Minister Diefenbaker. Yet External Affairs Minister Paul Martin still implies that it is the Conservatives, not the Liberals, who are responsible for Canada becoming a nuclear power.
>
> "This government," he told the Commons last night, "has merely acted in respect of a commitment which was made by (the Diefenbaker) government."
>
> Mr. Martin's bland explanation is unconvincing. If Canada is now committed to accept nuclear arms, it is because of a commitment made by Prime Minister Pearson, no one else.
>
> Since taking office April 22, the Liberals have been challenged repeatedly to produce evidence that the former Conservative administration committed Canada to accept nuclear warheads. They have been able to produce none.
>
> Indeed, even if the Conservatives had made such a commitment, the Liberal attitude raises a more fundamental question:
>
> When a new government takes office, should it feel obliged to maintain the policies or "commitment" undertaken by its predecessor?
>
> In our view, it should not. For what real progress could we expect at Ottawa if a government felt itself bound by the policies of a previous regime? A new administration cannot place itself in a position where it is a prisoner of policies which are no longer valid or which may have been discredited by the electorate at the polls.

Therefore, Mr. Speaker, I say that the public is concerned, and that we in this party are concerned. We trust that this committee which will be set up as a result of the passing of this motion will be directed to

look at the defence policies of Canada, whether she should have a nuclear role and therefore a position of being a military satellite, or whether we can occupy the role of being a peacemaker in the world of nations and make our contribution to the establishment of the rule of law.

Mr. Martin (Essex East): Mr. Speaker, I wonder if the hon. gentleman will permit me to ask him a question?

Mr. Douglas: Yes.

Mr. Martin (Essex East): I followed with great interest what he has said, as I am sure all hon. gentlemen have. Could the hon. member tell me whether he believes now that we should stay in NATO? I hope he will not regard that as an unfair question. I am not addressing it only to him but to his party, in the light of the statement that he has made tonight. Does he think we should still stay in NATO?

Mr. Douglas: I am one of those who has been a strong advocate, in my own party, of Canada staying in NATO in order to prevent further military aggression in Europe. But when the minister asks me whether I think we should still stay in NATO, I would like to know a great deal more about what commitments are being made with reference to a multi-allied or multi-national nuclear force. Because I am convinced that nuclear power, and the capacity to precipitate a nuclear war, should be left in the hands of the two great powers, the United States and the Soviet union; I am opposed to extending nuclear power to the nations of NATO because I am convinced it will increase the dangers of nuclear war and lessen the chances of nuclear disarmament.

Mr. Baldwin: Mr. Speaker, before launching into my few remarks I should say that I thought I saw some indication on the part of the Minister of National Defence, and if he feels this would be an appropriate time for him to make some contribution, I would be only too glad to defer my remarks.

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, I did not intend to speak tonight but if the hon. gentleman would like me to, I shall speak briefly at this time. I thank him for deferring.

First of all may I say on behalf of my colleague the Associate Minister of National Defence (Mr. Cardin) and myself, we welcome the setting up of this committee. We think it can be a very useful vehicle. It will provide an opportunity for hon. members of parliament to gain information in respect to the defence forces of our country and in respect to the part they play in the North Atlantic Treaty Organization, and in North American Air Defence, as well as the other roles they have undertaken.

So far as policy is concerned, the Prime Minister has already indicated that there would be no limitation in respect to the discussions. Hon. members can discuss policy fully and freely. There can be a complete exchange of opinions and ideas. This, I think, is a good thing to do. Most important, however, and I have been convinced of it tonight, is that before we start to talk policy we should get some of the facts on which to discuss policy.

I have been completely convinced, listening to the debate so far this evening, that it could well have waited until the committee had met, and until members of the committee had had a chance to get some of the basic information they need in order to debate such a delicate and complicated subject. That is what we intend to do when the committee is set up, and that is one of the most important functions which the committee will have.

I speak with some conviction on this matter. I know that a committee of this kind has been resisted in the past by previous ministers of national defence but, notwithstanding that historical position, I came to the conclusion, two or three years ago, that with the technological changes that had taken place in the past ten years in particular, the subject of national defence was much too complicated and too complex just for a superficial examination. I felt that, in order to have an intelligent discussion in the House of Commons, and through the House of Commons, in the press of the country, a great deal more information would have to be made available, and a much more detailed examination of the facts would have to take place by a committee especially set up to spend a lot of time and energy on the study of that information.

It is for this reason I have supported the position of my leader that we should immediately set up a small, relatively small committee, and that it should commence its deliberations.

I think at the outset of its deliberations it should seek—and this of course will be up to the committee itself—briefings on the most fundamental of facts, and bring forward the body of information on which a more comprehensive discussion, including policy discussion, can take place.

It was a surprise to me, although I do not know why it should have been, to learn during the election campaign that a study, which had been undertaken by the peace research institute of Canada, had indicated that a large proportion of Canadians, I think something like 30 per cent, thought that the Bomarc was an intercontinental ballistic

missile; and some of the facts and figures used in this debate are just about as absurd as that. This is no reflection on anyone, but really only a demonstration of the fact that for the last three or four years the Canadian people and the Canadian parliament have been starved of real information on which they could base an intelligent opinion.

When I was in opposition and had the responsibility of trying to criticize defence matters, I found I could get no realistic information whatsoever from the government of Canada. That government printed a little booklet on what Canadian forces were doing, and provided a few statistics and a bit of summary information, but none of the hard facts and none of the background material really needed. Consequently I had to go outside this country in order to seek this information. I had to get the reports of the United States congressional committees and read them at length, where they told not only about the defence forces of the United States but gave much more information about Canadian forces than I could get from my own government.

Of all the hon. members in this house who need a study on this subject, I think the hon. member for Winnipeg South Centre (Mr. Churchill) is probably one of the most illuminating examples.

Mr. Churchill: I won't learn anything from you.

Mr. Hellyer: Mr. Speaker, I offered to debate with him during the election campaign and he declined. After listening to him today I understand very well why he chose that course. He was a member of a government which not only left the Canadian people and the Canadian parliament uninformed but, worse than that, they misinformed them. My hon. friend shakes his head, so I would like to give an example.

He went overseas just before the end of the year and he came back and said that Canadian forces could be equipped with atomic weapons in a few hours in case of emergency, without any general agreement being signed. This is just absolute rubbish; and to come back and make a public statement of that kind, notwithstanding the fact that he was well advised by his advisors of that day that it was not so, is an affront to the Canadian people.

Mr. Churchill: May I ask the minister what agreement has to be signed?

Mr. Hellyer: As the hon. gentleman should know, if he had done his homework on these matters, these warheads cannot be made available to any friendly nation unless, first, a general agreement has been signed between that nation and the United States of America; and as my hon. friend further knows, his government spent about four years trying to work out such an agreement. With the speed with which they did things they still had not achieved it.

Mr. Winkler: And still had our sovereignty, too.

Mr. Hellyer: I was fascinated to hear him say this afternoon that he thought our air division overseas was perhaps not engaged in the correct role; that he thought some different role could be found for it. Well, Mr. Speaker, that is exactly what my party said four years ago, at a time when his party and the government of which he was a member had the responsibility for national defence and foreign policy. We said it was not a role which should be embarked upon. Yet, notwithstanding our advice, which was ignored, the government of that day went ahead on its own, committed itself, and do not ever say that you did not commit the Canadian armed forces. The government of that day committed itself to a nuclear role in NATO—

Mr. Churchill: How?

Mr. Hellyer: —and in committing itself, it went ahead and spent half a billion dollars of the Canadian taxpayers' money in order to implement that role, and with equipment which cannot reasonably be used for any other purpose.

Mr. Churchill: That is false.

Mr. Hellyer: It is not false. And that is the position we find ourselves in at the present time.

Mr. Churchill: Mr. Speaker, will the minister answer a question?

Mr. Hellyer: I will answer a question when I have finished. You just wait until I have finished.

Some hon. Members: Arrogant.

Mr. Hellyer: We gave this matter a lot of thought. It was obvious that a re-examination of defence policy in this country was due or overdue. It is time that a good look was taken at the direction in which we are going. It is time we looked at the relationship between our forces and those of the alliances of which we form a part. We have urged that this be undertaken and we are now pleased and confident that it is going to be done.

We are also gratified with the NATO meeting, notwithstanding some of the derogatory remarks which have been made about it

tonight. It was, as my hon. friend the Secretary of State for External Affairs (Mr. Martin) said, a very successful meeting in respect of the objective that it sought. It has authorized a review of the strategy of the north Atlantic treaty alliance and its total approach to the confrontation between east and west, in all its aspects, both military and political; and once this strategy review has taken place the force requirements to meet the strategy which will be agreed on can be determined by those people who are experts in these matters. Once that has been done, the resources available to meet those force requirements can be worked out in some sort of logical fashion.

I think it is a very happy situation, in so far as our government is concerned, that the NATO review will be going on simultaneously with the review which will be carried out in this country, so that the two will be complementary one to the other. When the future course is plotted there will be a definite, understandable relationship between Canadian defence and foreign policy and the defence and foreign policy of our treaty allies. Well, my friends—

Some hon. Members: Oh, oh.

Mr. Churchill: There are no votes here for you.

Mr. Hellyer: You never know; you might move to my riding some time. I think this committee is a good idea. The attitude of the government is to make available to the committee just as much information as can be provided without violating the security regulations. If it is the desire of the committee to adjourn from time to time to visit defence installations, this will be facilitated. They will find in the Department of National Defence and in the ministers a genuine willingness, not only a willingness but an eagerness to bring forward sufficient information so that a genuine discussion of the pros and cons of defence policy can take place. When it is concluded, Mr. Speaker, I think hon. gentlemen will agree that in respect of most of the decisions that have to be made at the present time, they are matters of judgment. Most of them involve a weight of evidence. There are no 100 per cent decisions. There are very few things that are categorical; many factors have to be taken into consideration. I have no doubt that once the committee has studied all the evidence and weighed the factors it will appreciate not only the complexity and the difficulty which faces anyone charged with this responsibility, but it will also be impressed with the review being undertaken by the government, with the ultimate results of that review and the course which will be plotted for the years ahead.

I welcome, as a responsible minister, this development. I think it is a great opportunity for the government to do what has not been done in this country before.

An hon. Member: Pass the buck.

Mr. Hellyer: I think we can count on the co-operation of all hon. members because, notwithstanding the things that we said during the campaign, notwithstanding the terrible confusion which engulfed most aspects of this question during the campaign, and notwithstanding the confusion which still exists and the great mass of inaccurate and incomplete information, we think there is a genuine desire on the part of all hon. members to come to grips with this subject, so that when we do come forward with a solution it will be generally agreed as being one which is in the best interests of our country and of our alliance.

I think we have a unity of purpose. I am sure we will not all agree on detail, but I am sure that when we bring forward, as we propose to do, the information and it is weighed carefully, when the committee has concluded its deliberations no hon. member will say there was not a genuine attempt, a genuine effort both to inform the hon. members of this house on this question and to reach the maximum degree of uniformity possible, under existing circumstances, between all members of parliament and representatives of all groups in this country in respect of the course which we should follow in years ahead.

Mr. Churchill: Mr. Speaker, the minister said he would accept a question after he had concluded his remarks. I would like to ask the minister whether he is aware that the Honest John missile discharger can use either a conventional warhead or a nuclear warhead; and is he aware that the Starfighter airplane, with appropriate modifications, could use a conventional bomb instead of a nuclear bomb?

Mr. Hellyer: Mr. Speaker, my hon. friend has just made two statements which only illustrate what I was saying a few moments ago.

An hon. Member: He did not make a statement; he asked a question.

Mr. Churchill: Answer the question. I know the answer. You give the answer.

Mr. Hellyer: I do not think you do, because in the two visits which you made to the department when you were the minister I do not think you had a chance to get all the

background information. You were more concerned with other things. I hope you will not press me into indicating what they were.

Some hon. Members: Hear, hear.

Mr. Hellyer: I am sure, Mr. Speaker, that my hon. friend is aware that to use equipment as complicated and as expensive as the Honest John for an ordinary high explosive charge would not make any sense whatsoever, and it would be just about the clearest demonstration of futility in relation to resource input and output that could be imagined. In respect of the F-104, the particular version that we have, as I am sure my hon. friend is aware, and my colleagues and I attempted to warn him at the time the aircraft was chosen, is a very sophisticated aircraft. It is not a good all-purpose, general weapons platform, and the particular configuration purchased by this government was designed in such a way that it is virtually useless for anything except the role that was undertaken by the previous government; and the modifications which could make it useful for some other purpose are so considerable, and the effectiveness that it would have under those circumstances—

An hon. Member: Like the Arrow.

Mr. Hellyer: —would be so low that no military adviser would ever recommend it to any government, I can assure you.

Mr. Churchill: A very unsatisfactory answer.

Mr. Winkler: Mr. Speaker, I wonder whether the minister would answer another question? Does he now consider that the Starfighter, as he anticipates its use, will be effective?

Mr. Hellyer: Mr. Speaker, notwithstanding the fact that it is a very sophisticated aircraft, I think it would be quite effective for the role for which the previous government acquired it.

Mr. Winkler: One further supplementary question: I wonder if the hon. gentleman recalls the day when, asserting Liberal defence policy, he said the government should scrap plans to acquire the Starfighter and that no nuclear weapons should be used either on it or on Canadian soil.

Mr. Hellyer: Yes, Mr. Speaker. I think the government would have been well advised to have taken my advice at that time.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I am glad the minister saw fit to make some comments, though I deplore the fact that he did not make what I thought he should have made, namely a first statement as to government intentions and government policy. To my thinking—and to this extent I agree with the hon. member for Burnaby-Coquitlam (Mr. Douglas)—we shall obtain the maximum value from this committee only after there has been a confrontation between the government and the opposition—after there has been a joining of issues as to the facts upon which there may be a divergence of opinion. If this were done, I think the committee in proceeding with its work would have the necessary guide lines to enable it to carry out its task most effectively.

After listening to the hon. member for Red Deer (Mr. Thompson) I am afraid it is all too easy to see that the committee may become bogged down in an avalanche of studies all more or less relevant to its task. The hon. member suggested a wide variety of subject matter which might well be discussed during the course of the committee's deliberations. A number of these suggestions were, it is true, relevant to the terms of reference; but bearing in mind the broad manner in which those terms of reference have been conceived and the different interpretations which have been placed on them by hon. members I find it difficult to see how the committee can accomplish anything useful except possibly over a long period of time. It may even have occurred to the Prime Minister (Mr. Pearson) that the members of this committee might ultimately be appointed to the other place where, in the more leisurely atmosphere which prevails, they might be able to come to some conclusion over a period of several years. Nevertheless, the committee could achieve something of value provided that at some time before this debate is concluded a spokesman on the government side sees fit to make a statement such as I suggested at the beginning of my remarks.

I wish, now, to speak briefly about one matter which has already provided scope for controversy tonight and which might well form the basis of considerable discussion in the committee, namely the question whether or not there was a commitment by the previous government with regard to the acquisition of nuclear arms. The Prime Minister and other members of the government have referred to what they consider as being adequate evidence to establish their view on this matter. I do not share their opinion. It has been suggested that General Norstad, who came to Canada at the turn of the year, made statements from which there is an inference to be drawn. It is interesting to read in a recent press comment that the Minister of National Defence (Mr. Hellyer) had some conversation with General Norstad shortly before he came here. It would be

interesting to know—and possibly this information could be obtained during the committee hearings—whether General Norstad came here at the invitation of the Minister of National Defence and whether there was any prompting from the minister as to what he should say when he came here.

The Prime Minister suggested that the NATO communique issued by the 15 nations in 1957 after their deliberations forms the basis for what he suggests to be a contractual obligation by the Canadian government to take nuclear arms. I think it will be well to take a look at this particular document. It was cited by the Prime Minister, who read part of it, and it is to be found recorded at page 63 of *Hansard* of this year. I would particularly refer the house to the second paragraph of the communique, the part which was quoted by the Prime Minister:

The deployment of these stocks and missiles—

This refers to nuclear stocks and missiles.

—and arrangements for their use will accordingly be decided in conformity with NATO defence plans and in agreement with the states directly concerned.

My submission is this: there are two essential requirements before there is an obligation or a contractual commitment. The signing of the communique does not in itself constitute such an agreement. I think a good point was made by the hon. member for Burnaby-Coquitlam when he referred to Norway and Denmark, two nations belonging to the NATO organization, nations which had subscribed to this communique but which did not see fit to take nuclear weapons. I think the reason for this is plain. Until any one of those 15 nations which signed the communique enters into the agreement referred to in the second paragraph there is no binding obligation. The minister made some reference to this this evening. I am not in a position to know the length of time which would be required to conclude such an agreement, but there is no doubt about the terms of the United States atomic energy act—and, of course, we must consider ourselves in relation to the United States, the country from which the nuclear missiles would be obtained. Until an agreement has been reached, we are not bound. Neither is the United States bound. The United States, as conditions now exist, is under no commitment to furnish us with nuclear weapons. Not only is there no commitment but it would be a breach of the McMahon act if weapons were supplied.

As I understand the law of contract, there must be two parties to an agreement and until an agreement has been signed, there is no binding commitment and no obligation upon the government of Canada. As a matter of fact, the Prime Minister and the Minister of National Defence for some time have been in possession of what they consider to be adequate information regarding the alleged commitment—and I underline the word "alleged".

In 1960 the present Prime Minister, speaking in an external affairs debate, made this categorical statement, as reported on page 985 of *Hansard*:

I think we had a right to conclude from that—

—the word "that" had reference back to a statement that the government had taken weapons which could be used with nuclear missiles—

—that the government had made a decision to use nuclear warheads on the Canadian weapons. If it means anything, it means that.

So the Prime Minister and his party are in this position, that they have indicated that as from February 11, 1960 in their opinion the Canadian government was obligated to take nuclear arms and that there was a firm commitment.

We heard nothing at that time of the sacred necessity of fulfilling our obligations. We heard nothing of the fact that Canadian prestige would suffer seriously and that our position would deteriorate if we did not fulfil these commitments. The so-called pledge was not of great concern to the Prime Minister and those of his party who were interested in this matter. I just point that out, and in support of this view I would put on the record these quotations from the speeches made by the Prime Minister and the present Minister of National Defence. The Prime Minister said on August 5, 1960, as reported on page 7606 of *Hansard*:

So far as continental defence is concerned—I start with that first—I repeat what my hon. friend said. In my view we should get out of the whole SAGE-Bomarc operation, and we should not spend any more money on radar gap fillers. Our objection to the Bomarc is not only that we do not think it is an effective weapon. I admit that its tests lately have been certainly far more successful than the previous tests. Perhaps for certain purposes it may become an effective weapon, I do not know; but that is not our major objection to it. Our objection is to the kind of defence strategy it represents and which we do not think will be effective however effective the weapon may be.

Then follow these words:

If the United States wishes to continue that kind of protection, let the United States do so. Let us withdraw from that direct form of continental defence.

There is not one word about honouring commitments there, Mr. Speaker.

Then the Prime Minister said in the same debate, as reported on page 7605 of *Hansard*:

It is on that basis, on those principles—I would like to call them that—that I have tried to work

out my own views as to what our defence policy should be at this time. I admit at once that it is not easy to do that, and it has taken two or three years of what has been referred to in another context as agonizing reappraisal—

I might just say, Mr. Speaker, that the Liberal party must have been in a perpetual state of agony since then, having in mind the frequent changes they have made. The Prime Minister went on:

—and I do not put them forward as anything final and fixed that could not be changed. They may even have to be changed—

Then later on he said:

After all, this kind of defence is primarily a United States responsibility. It is the defence of the deterrent. We know how important that is; but it is a deterrent which is under the sole control of the United States of America. It is not a defence, and in the nature of things I submit cannot be a defence, of our territory in the traditional sense of the word, and it will soon be no defence of anything. As the minister himself has indicated, in a few years missile attack will make this kind of defence of very minimal importance indeed, once missiles supersede airborne bombers, and that will not be long from now.

Then the Minister of National Defence said in 1961, as reported on page 8230 of *Hansard* for September 12:

It is interesting to note that in the long list of priority items presented by President Kennedy to congress on March 28 last there did not appear one of the major items on which the Canadian government is relying. Not one American penny for the Voodoo, the F-104, the Bomarc or the Honest John. The Canadian defence department has become a pawnshop for second hand American hardware.

Our position in this respect is the same as we announced last year. We still feel that atomic weapons in Canada are unnecessary at this time. We feel they are redundant. We do not think they add anything to the security of Canada, and we think they provide no protection for the strategic air command.

—if the Russians were to start a war now—

—and this is 1961, Mr. Speaker—

—if they were to embark upon a direct attack, they would not do so unless they had enough missiles to cover every American strategic air command base on the north American continent. That is fundamental.

There is not one word there about commitments.

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

Mr. Baldwin: If you do not mind, I have some more interesting comments to make. The hon. member might wish to amplify his question when I have finished.

The Prime Minister, as reported on page 8348 of *Hansard* for September 14, 1961, said:

Even if this Bomarc missile is effective—and we do not think it is effective; we think it is obsolete, and that the United States will soon be dropping it—

Defence of this kind, Mr. Chairman, is not going to save us, and Canadian participation in defence

of this kind is not going to be the best way in which we can discharge our obligations.

Mr. Speaker, there are some more remarks made by the Minister of National Defence, with whom I had the pleasure of appearing as a member of the special committee on defence expenditures in 1960, to which I should like to draw attention. At page 399 of the minutes of that committee meeting he had this to say:

The Bomarc is useless even with the nuclear warheads.

Later on the hon. gentleman, I must say with some reluctance, seconded a motion made by the hon. member for Vancouver East (Mr. Winch) that funds appropriated for the Bomarc should be removed from the year's expenditures.

Mr. Hellyer: Would the hon. gentleman permit a question? In face of that advice, why did the government which the hon. gentleman supported go ahead with the acquisition of the Bomarc?

Mr. Baldwin: In face of that statement, I would ask why did the minister go ahead with his program to get warheads for the Bomarc at this time?

Then speaking in support of the motion which he seconded he had this to say, as reported on page 491 of the minutes:

This is exactly the reason which has been given by the Liberal party for opposing the Bomarc installations. In the event of such an all out attack it would be an obvious thing for the Russians to set as their first targets as they approached the American continent by air with a missile attack, the Bomarc fixed installations and it would not be reasonable to expect these fixed installations to survive an initial attack. Therefore the defence provided by them and the return effect is nil.

Then later on he said:

As far as Canadian air defence is concerned, or as far as its contribution to the defence of the United States is concerned, in the event of an all-out attack, such as was hypothecated by the parliamentary secretary, the Bomarc missile would offer no possibility of any defensive action.

There are one or two more positive rather than negative examples of this particular controversy as to whether or not commitments were made. I think it is fair to say that during the course of the whole of the hearings held by the defence expenditures committee, those at which I was present at least and I have read the proceedings fairly carefully, the then minister of national defence made it categorically plain that the Bomarc could be equipped with either a nuclear or conventional warhead. He did not budge one iota from that position which he established with his first statement.

On the same aspect, Mr. Speaker, I might also refer to a statement made by the present

Leader of the Opposition (Mr. Diefenbaker), then the prime minister, when dealing with the agreement under which the Canadian authorities took the Voodoo aircraft as part of their obligation. He made this statement which appears at page 6179 of *Hansard*, June 12, 1961:

> Canada will assume responsibilities hitherto resting on the United States ... for manning, operation, maintenance and financing 16 stations of this line.

That is the D.E.W. line.

> Canada will be furnished with 66 F-101B interceptor aircraft and appropriate support equipment. These aircraft ... will be armed with conventional weapons—

Those are the Voodoo aircraft. This was the statement in which the then prime minister advised the house and the country as to the terms under which these weapons were acquired and the equipment that came with them.

Mr. Matheson: May I ask a question on that point?

Mr. Baldwin: I am about ready to sit down and I will have ample time then to answer the hon. member's question. I would just say that the discussions and deliberations of this committee could be well directed to that one point alone, whether or not any commitment was made by the previous government or whether or not the present government has used this an an obvious excuse in order that it might implement what I and millions of other Canadians think is the part of the terms of surrender negotiated in the treaty of Hyannis Port.

Mr. Matheson: Mr. Speaker, the hon. member—

Mr. Deputy Speaker: Order. I understand the hon. member for Leeds has a question?

Mr. Matheson: Yes. The hon. member has just concluded his remarks by referring to something the former prime minister said which indicated there was no nuclear commitment. I should like to read him one sentence from page 3136 of *Hansard*, January 25, 1963:

> Following SACEUR's recommendation, as we saw the situation in 1959 and as I said earlier in my remarks, we undertook to equip our squadrons assigned to NATO for a strike reconnaissance role, which role would include the mission of delivering nuclear weapons. No one was under any misunderstanding in that connection. Parliament approved this program and appropriated the funds.

Does the hon. member not regard these remarks by the Prime Minister on January 25, 1963, as evidence of the assumption of a nuclear role for the CF-104 in NATO?

Mr. Baldwin: I do not regard them any more as a commitment than I regard what the hon. member has said as a question.

Mr. Deputy Speaker: The hon. member for Sherbrooke.

Mr. Pickersgill: Mr. Speaker, I wonder whether the hon. member would permit me one second to see whether it might be the wish of the house to go on a bit later this evening with a view to finishing this debate—

Some hon. Members: No.

Mr. Pickersgill: —so that the committee could be set up and we could get on with other urgent business.

Mr. Deputy Speaker: A suggestion has been made by the minister. Is there unanimous consent?

Some hon. Members: No.

Mr. Churchill: Mr. Speaker, this is a most important subject and there are other members of the house who would like to speak. I hope the house leader is not trying to limit debate on this matter.

Mr. Pickersgill: No, I can assure hon. members that nothing is further from my mind.

Some hon. Members: Oh, oh.

Mr. Pickersgill: My thought was that in conformity with the suggestion made by his right hon. leader at the beginning of the session we might sit a little longer tonight so that hon. members who wish to speak could make their speeches while the other speeches are fresh in their mind.

Mr. Deputy Speaker: A suggestion has been made which requires unanimous consent. This has not been given. Therefore I recognize the hon. member for Sherbrooke.

(Translation):

Mr. Gerard Chapdelaine (Sherbrooke): Mr. Speaker, may I point out that it is ten o'clock?

(Text):

Mr. Deputy Speaker: Is it agreed that we call it ten o'clock?

Mr. Pickersgill: I really feel, sir, that we should sit at least until ten o'clock.

(Translation):

Mr. Chapdelaine: Mr. Speaker, it was most agreeable to have the Minister of National Defence (Mr. Hellyer) condescend to address this house. We had almost drawn the conclusion that his new office did not involve the responsibility of submitting from time to time a report of his activity to the House of Commons.

We could almost have believed that he had been gagged by exterior pressure.

Appointment of Defence Committee

It was a pleasure to hear his voice, but I thought that under such important circumstances, he should not have dwelt at length on the theme of his last election campaign but that he should rather have explained the program he intends to put into effect, or the steps he intends to take in order that the defence committee may operate within its foreseen province.

I was also most unhappily surprised to hear other speakers, for instance the member for Burnaby-Coquitlam (Mr. Douglas), talking about an entirely different matter than that they should have commented upon. We were expecting suggestions about the defence committee but the hon. member simply stated his party's nuclear policy.

Then a Conservative member took pains to excuse the mistakes of the previous administration.

Mr. Deputy Speaker: Order. It is ten o'clock.

Mr. Chapdelaine: May I call it ten o'clock, Mr. Speaker.

(Text):

Mr. Deputy Speaker: Order. It is ten o'clock.

BUSINESS OF THE HOUSE

Mr. Churchill: I take it that we are going on with interim supply tomorrow?

Mr. Pickersgill: Yes, Mr. Speaker. Tomorrow we will take interim supply and then resume this debate. If this debate should be concluded we will take the first stage of the economic council measure. I would imagine that perhaps that would be all it would be possible to get done tomorrow.

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

HOUSE OF COMMONS

Friday, May 31, 1963

The house met at 11 a.m.

INDIAN AFFAIRS

PROVISION FOR ESTABLISHMENT OF COURT OF CLAIMS

Mr. Frank Howard (Skeena) moved for leave to introduce Bill No. C-67, respecting the Canada court of Indian claims.

Some hon. Members: Explain.

Mr. Howard: Mr. Speaker, this bill carries out one of the recommendations of the joint Senate and House of Commons committee on Indian affairs of both 1948, which recommendation was not acted upon, and 1961. It plugs a glaring and affronting omission in the speech from the throne, namely the need to establish some agency to deal with the long standing grievances of our native Indian people over their land and other matters, and seeks to establish a court of Indian claims to deal with those questions.

Motion agreed to and bill read the first time.

NATIONAL DEFENCE

REFERENCE TO STATEMENT BY MINISTER IN DEBATE

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I would like to ask a question of the Minister of National Defence but I find he is not in the house. However, I will ask the question anyway and perhaps he can give an answer subsequently.

I base my question on a statement he made yesterday as reported at page 484 of *Hansard*, when he said, referring to me:

—the fact that he was well advised by his advisers of that day that it was not so—

I ask the minister this question—

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, I wonder whether I could rise on a point of order. The hon. gentleman is quoting from a debate that is now in progress in this house. I believe it is absolutely against the rules of the house to raise questions on the orders of the day with respect to a debate that is in progress, or to seek to revive the debate at any time other than the time prescribed by the rules. I feel, therefore, that the hon. gentleman should wait until the matter comes up again in debate.

Mr. Churchill: I presume we are to be subjected to closure throughout this session, and this is another example.

Mr. Speaker: If the hon. gentleman has a question to put, would he please put his question?

Mr. Churchill: I shall be glad to, and that is what I was starting to do. My question to the Minister of National Defence is this. Does he intend to bring into debates here or elsewhere the advisers to the Minister of National Defence, namely the chiefs of staff, to whom I gave an assurance that I would not involve them in the election campaign or in debates in the House of Commons? I may now have to withdraw that assurance.

Mr. Pickersgill: It seems to me that in view of what the hon. gentleman has said there is all the more reason for a ruling on the point of order which was raised.

Mr. Knowles: A little late, now.

Mr. Speaker: I regret I shall have to rule the question out of order on the ground that it is in the nature of a continuation of a debate and the hon. gentleman will have ample opportunity when the debate continues to raise the subject matter.

(Translation):

AGRICULTURE

MILK—DISCUSSIONS RESPECTING DISTRIBUTION IN SCHOOLS

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Does the minister intend to initiate discussions with the provinces with respect to the free distribution of milk in schools?

(Text):

Hon. Harry W. Hays (Minister of Agriculture): The answer is yes, Mr. Speaker.

(Translation):

Mr. Pigeon: A supplementary question, Mr. Speaker. When does the minister intend to write to the provinces to this effect?

An hon. Member: Tomorrow morning.

(Text):

Mr. Hays: This is a matter of government policy, and we shall do it just as soon as we get finished with this wild session of parliament.

Inquiries of the Ministry

(Translation):

Mr. Pigeon: A further supplementary question, Mr. Speaker; does the minister intend to send that letter before the expiry of the 60 days of decision?

(Text):

Mr. Speaker: Order. I wonder if hon. members to my left in the centre of the chamber would pay a little more heed when at the top of my voice I call for order.

SUPPORT PRICES—ANNOUNCEMENT RESPECTING SOYBEANS, LAMB AND WOOL

On the orders of the day:

Mr. W. H. A. Thomas (Middlesex West): Mr. Speaker, in view of the desirability of promoting industrial expansion in Canada and in view of the necessity of conserving foreign exchange, I should like to direct a question to the Minister of Agriculture. I regret that I did not give him more notice. Can the minister tell the house when he expects to announce the support price for the 1963 soybean crop, and whether the government will be able to meet the request of the soybean growers marketing board for a support price of $2.55 per bushel?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, may I ask for leave of the house to revert to motions in order to make this announcement? I have the support program here.

Mr. Speaker: Is it agreed?

Some hon. Members: Agreed.

Mr. Hays: This is quite a lengthy document. The support price will be $2.15 per bushel for Canada grade No. 2 or better. I can go through the whole statement if you like, or I can table it.

Some hon. Members: Read it.

Mr. Hays: The Ontario soybean growers marketing board presented a brief to the agricultural stablization board in which they recommended that a support price of $2.50 per bushel be established on soybeans for the 1963 crop. In making this recommendation the marketing board expressed the wish for an incentive level of price support indicating that such would assist in diverting production from fall wheat and oats, that more protein supplement was needed for an expanding livestock industry, and that a reduction in soybean imports would be advantageous. They indicated that, were such an incentive price support level to be established, the marketing board would embark on a greater promotional campaign for expanded production.

Market returns for Canadian producers of soybeans in 1960 and 1961 were above the support levels. Higher prices in 1960-61 stemmed from a shortfall in world oil seed supplies. In 1961-62 they were maintained primarily by price support measures on a large scale undertaken by the United States government. In the current year the latter was also important, having the effect of encouraging producers to withhold supplies from the market. The demand for the limited quantities of oil seed meals available, however, with advances in soybean oil prices, resulted in rising soybean prices in spite of ample supplies statistically.

Canadian soybean prices, No. 1 or better, f.o.b. shipping points, rose from about $2.40 in August, 1962 to $2.57 during most of December. Up to the end of December 3.6 million bushels of soybeans had been marketed from a crop of about 6.6 million bushels. Prices jumped sharply in January and February and were in the neighbourhood of $2.75 per bushel. If the unmarketed soybeans indicated above are actually retained by producers, they will be in a position to increase their returns significantly by marketing during the remainder of the crop year. Prices are about 25 cents per bushel higher than about this time a year earlier. Producer returns from the 1962 crop should average between $2.40 and $2.50 per bushel delivered.

Based on the latest d.b.s. revisions of planted acreage statistics, current plantings are substantially below plantings of a few years ago. The recovery of soybean prices has not been of sufficient duration to improve acreage markedly. It would not be surprising, however, if a further recovery in planted acreage occurred in 1963.

It is considered by the board that the increased price in the market place should provide sufficient incentive for an orderly expansion of soybean production, and that a guaranteed price of $2.50 per bushel could bring undue optimism to the industry. Since the varieties of soybeans at present available have some limitations in terms of adaptability, it is felt that an incentive that would unduly expand the growing areas might ultimately be to the detriment of the individuals involved in such an expansion.

The board therefore recommends that the support price for soybeans be continued at 100 per cent of the base price for the 1963 crop, that is $2.15 per bushel for Canada grade No. 2 or better, 14 per cent moisture, delivered at elevator in Ontario. That is the answer to the question asked the other day.

Mr. Speaker, in answer to another question that was asked the other day I wish to inform the house that in so far as wool and lamb are concerned there will be the same

price of 60 cents a pound on wool and the same support price on lamb as last year.

Mr. George Muir (Lisgar): As a supplementary question, Mr. Speaker, I would like to ask the Minister of Agriculture, now that he has announced the support price of soybeans, when he will be announcing the support price on sunflower seed.

Mr. Hays: Mr. Speaker, we are carrying on these support price studies, and I will have to take that question as notice.

WHEAT—POSSIBLE EFFECT OF U.S. REFERENDUM

On the orders of the day:

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, yesterday the hon. member for Qu'Appelle (Mr. Hamilton) inquired about a question he had raised as reported on page 81 of *Hansard* of May 21. The position in regard to this matter was stated by the Prime Minister in reply to the question asked by the hon. member, and by the Minister of Trade and Commerce in reply to the question asked by the hon. member for Burnaby-Coquitlam, both of which are reported on page 170 of *Hansard*.

Hon. Alvin Hamilton (Qu'Appelle): May I ask a supplementary question, Mr. Speaker. In view of the answers given by the Minister of Trade and Commerce and the Prime Minister on this very important subject, will the minister give consideration to a special study by the Department of Agriculture as to the impact on the purchasers of feed grain in eastern Canada who buy their feed grain from western Canada?

Mr. Hays: This government will give consideration to all these matters, Mr. Speaker.

EXPANSION OF OPERATIONS UNDER MARSHLAND LEGISLATION

On the orders of the day:

Mr. Robert C. Coates (Cumberland): I have a question for the Minister of Agriculture. Is it the intention of the minister to expand the operation of the M.M.R.A.?

An hon. Member: Tell us what it is.

Hon. Harry W. Hays (Minister of Agriculture): May I take that question as notice?

ONTARIO—INQUIRY AS TO CROP INSURANCE

On the orders of the day:

Mr. J. A. McBain (Elgin): I wish to direct a question to the Minister of Agriculture. In view of the heavy frost damage in the fruit, vegetable and tobacco areas of western Ontario, has the minister made any approach to the Ontario government to give to the farmers of this area a crop insurance scheme such as is now possible under the agriculture insurance act?

Hon. Harry W. Hays (Minister of Agriculture): In reply to the hon. member's question let me say that we met this morning with the fruit growers. The hon. member knows that some of the damage has occurred in the Niagara peninsula, to grape growers particularly. It is true the federal government has a crop insurance plan but, as I understand it, the plan has to be instituted by the provincial governments. The provinces of Manitoba, Saskatchewan and Prince Edward Island all have crop insurance plans which were instituted in the first instance by the provincial government concerned. The federal government then contributed on a 20 per cent basis. Ontario at the moment does not have a crop insurance plan. We suggested to the people we met this morning that perhaps they should make some representations to the government of Ontario, as our party feels crop insurance is an excellent idea.

Mr. McBain: A supplementary question: has the minister recommended to his colleague the Minister of Transport that a meteorological service be set up to warn the farmers of weather changes which would be harmful to crops, just as the Department of Transport warns flyers of weather changes?

Mr. Hays: That question should probably be directed to the Minister of Transport. Certainly such warnings would be of great benefit to agriculture, and I am sure the government will investigate and find out whether there is any possibility of passing on such information, as is done in California and other areas where warning is given of possible frost damage in advance so that the farmers may take some precautions. We shall investigate the suggestion of the hon. member.

(Translation):

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a supplementary question to the Minister of Agriculture. Following the reply he gave me to the effect that the government of the province of Quebec should take advantage of the excellent federal crop insurance legislation, does the Minister of Agriculture intend to communicate with the province of Quebec on that subject?

(Text):

Mr. Pickersgill: The hon. gentleman is raising a broad question of policy which, I submit to Your Honour, is not in order on

the orders of the day. The purpose of questions at this time is to deal with urgent matters which have arisen since the previous day's sitting, not with broad questions of policy.

Mr. Martineau: On that point of order, may I say the supplementary question springs directly from the answer given a while ago by the Minister of Agriculture.

(Translation):

[*Later:*]

Mr. Pigeon: Mr. Speaker, is it the wish of the Minister of Agriculture that other provinces such as Quebec take advantage of the crop insurance legislation?

(Text):

Mr. Hays: I think Quebec already have a policy of their own, but certainly this government would feel that they should take part in such a program.

(Translation):

Mr. Pigeon: Mr. Speaker, concerning the same question, it is my opinion that the Secretary of State should let the Minister of Agriculture answer. Otherwise, he will cast reflection on the minister's ability to answer.

(Text):

Mr. Hays: I should like to answer this question. This has to be instituted by the provinces themselves, not by the federal government. The federal government only helps with this program. The provinces have a great measure of autonomy and we want to keep it that way. They are the ones to institute such a plan as this in the first instance.

TURKEYS—REMOVAL OF QUOTA ON IMPORTS FROM U.S.

On the orders of the day:

Mr. W. M. Howe (Wellington-Huron): I wish to address a question to the Minister of Agriculture. Is the quota on turkeys coming into Canada from the United States to be lifted as a result of trade negotiations at Geneva?

Hon. Harry W. Hays (Minister of Agriculture): I think it is too early to be able to answer that question.

SUGAR

INQUIRY AS TO ACTION TO PREVENT PROFITEERING

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): I wish to address a question to the Prime Minister. In view of the statement of the Minister of Trade and Commerce yesterday to the effect that there is no shortage of sugar supplies in Canada at present and no shortage anticipated in the near future, would the Prime Minister tell the house what steps the government proposes to take to prevent profiteering at the expense of the Canadian consumer arising out of the increased price of this commodity?

Right Hon. L. B. Pearson (Prime Minister): I thank the hon. member for having given me notice of his intention to ask this question. As my colleagues have already pointed out, the federal government is concerned with this matter in regard to any aspect of it which is covered by federal jurisdiction—combines, monopolies and actions in restraint of trade.

At present, as has been stated, there is no evidence that the high price of sugar in recent weeks has come about because of monopolistic practices or because of the action of a combine. The price of sugar in Canada, as has been pointed out, is high because the world price has gone up in recent months. In the last few days it has declined, and this decline will be very welcome to Canadian consumers. It must be recognized that the price is high because of a general world shortage of sugar.

As was pointed out yesterday by my hon. friend, there is no national shortage in Canada. Our stocks are at normal level. There is no need to expect any shortage in Canada. Our prices are high because they are linked to world market prices, and if world market prices now continue to decline from the high level recently reached, Canadian prices can be expected to decline as well.

Mr. Speaker, some have alleged that the prices are too high and that government action—that is, federal government action—should be taken to limit them. There is a constitutional aspect to this matter. I would point out that it is the provinces and not this parliament which have jurisdiction over prices in peace time, and if any law or regulation were to be made limiting prices it would have to be made by the provinces. If my hon. friends in this house feel that action of this kind is necessary in present circumstances to protect the consumer, their pleas, observations and requests on this matter should be addressed to the provincial governments, which alone would have the power to set limits on prices.

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, a supplementary question. In view of the answer of the Prime Minister, could he inform the house whether he has initiated any talks with the provinces on this subject?

Mr. Pearson: Mr. Speaker, the provincial governments, I am sure, are well aware of this situation and do not need advice from the federal government on this matter.

Hon. Alvin Hamilton (Qu'Appelle): A supplementary question, Mr. Speaker. I wonder whether I might ask the Prime Minister a question on the same subject but in a slightly different vein. Now that the United States Senate has ratified the international commodity agreement on coffee, will the Canadian government take the lead in pressing for completion of the international agreement on sugar?

Mr. Pearson: Mr. Speaker, perhaps my hon. friend the Minister of Trade and Commerce, who has had a good deal to do with this international agreement, would reply to this question.

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, it is the policy of this government to encourage international commodity arrangements, and we look forward to a considerable expansion of their scope. I happen to have had something to do with the negotiation of both the international coffee agreement and the international sugar agreement. One of the defects, in my judgment, in the international sugar agreement was that it did not provide the kind of protection to consumers which might have been valuable under present circumstances. I quite agree with my hon. friend that I think the time has come when we ought to re-examine the question, and the Canadian government will be actively interested in it.

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, a supplementary question. This question refers to the sugar situation and I want to direct it to the Minister of Justice. Has the director of investigation and research of combines investigation undertaken a study to determine if there are any corporate links between Canadian sugar refining companies and the companies which supply the Canadian refineries with raw sugar?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, I wish to thank the hon. gentleman for having sent me notice of his question. I am informed that in reports of the restrictive trade practices commission relating to the sugar industry—that is, the report concerning the sugar industry in western Canada and a proposed merger of sugar companies dated January 7, 1957, and a report concerning the sugar industry in eastern Canada dated February 3, 1960—the existence or extent of corporate links between Canadian sugar refining companies and the companies which supply the Canadian refineries has not been the subject of inquiries. However, at page 8 of the report concerning the sugar industry in eastern Canada it is stated that Tate & Lyle Limited, the large British sugar refining company, acquired a controlling interest in Canada and Dominion Sugar Company Limited in November, 1959.

FISHERIES

LAKE ERIE—STEPS TOWARD SETTING UP MARKETING BOARD

On the orders of the day:

Mr. L. T. Pennell (Brant-Haldimand): Mr. Speaker, I should like to direct a question to the Minister of Fisheries. My question is prompted by numerous representations to me and to the Ontario government. Has any communication been received from the Ontario government requesting that a quota be placed on the number of fish to be taken from lake Erie with a view to setting up a marketing board?

Hon. H. J. Robichaud (Minister of Fisheries): Mr. Speaker, in reply to the hon. member I wish to advise that no such request has been received from the Ontario government. Furthermore, as I am sure the hon. member is aware, since 1898, I believe, the commercial fisheries of Ontario have been administered by the government of that province.

[*Later:*]

Mr. H. W. Danforth (Kent, Ont.): Mr. Speaker, I have a question for the Minister of Agriculture arising out of the reply of the Minister of Fisheries concerning quotas on the production of fish. Since fresh water fish have now been included under the Ontario department of agriculture to make the formation of a marketing scheme possible, can the minister inform the house whether there is any regulation under his department that would make illegal the imposition of production quotas on producers under such an act?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, I will have to take that question as notice.

UNITED NATIONS

CANADA'S SHARE OF COST OF PEACE KEEPING OPERATIONS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I should like to direct a question to the Secretary of State for External Affairs. Of the estimated $120 million required for the peace keeping operations of the United Nations until January 1, 1964, would the minister say what will be the approximate amount of Canada's contribution? Would he

also let the house know whether it is the intention to set up the committee on external affairs at an early date?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, with regard to the suggestion of the Prime Minister that the committee—

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): I am afraid I did not advise the house that I had been talking to the Prime Minister. I was referring to the suggestion made by the hon. gentleman who is, by the people of Canada, recognized as the Prime Minister of Canada. The Prime Minister was kind enough, as I came into this house to indicate that he proposed to ask this question—

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): Mr. Speaker, on a Friday morning I think a political party sitting in opposition and which has suffered such adversity should be entitled to some kind of recognition.

With regard to the question asked by the Leader of the Opposition, I may be able to give him a little more information than that requested. First of all, our share of the United Nations deficit for peace keeping costs may be between $300,000 and $500,000, depending on the amount of arrears which may be paid by member states that are now in arrears.

Now, with regard to our share of the total regular peace keeping costs for the United Nations emergency force and that in the Congo, these would be around $4 million annually, and are based on our regular scale of contribution for these operations, which cost more than $120 million and possibly as much as $140 million for the present year.

With regard to the suggestion concerning the setting up of the external affairs committee, this, of course, is a matter for the leader of the house to discuss with the other parties, and an announcement will be made in due course. I thank the Leader of the Opposition for giving me notice of this question.

Mr. Diefenbaker: I thank the hon. gentleman for his reference to me. It is apparent from the remarks of most of the ministers of the crown that coming events cast their shadows before.

(Translation):

FINANCE

DISCUSSIONS WITH PROVINCES RESPECTING MUNICIPAL LOAN LEGISLATION

On the orders of the day:

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I should like to direct a question to the Prime Minister. Further to the statement he made in Toronto Wednesday evening to the effect that the municipal loan board would not interfere with the jurisdiction of the provinces in that field, would the Prime Minister tell the house what discussions have taken place with the provincial authorities in that regard?

(Text):

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, there has been no necessity for formal discussion because of the determination of the government to ensure that this legislation does not interfere with provincial rights in any way.

(Translation):

UNEMPLOYMENT INSURANCE

EXTENSION OF BENEFITS TO WORKERS IN U.S.

On the orders of the day:

Mr. Pierre-Andre Boutin (Dorchester): Mr. Speaker, I should like to ask the Minister of Labour whether he can tell the house what were the results of the negotiations entered upon between Canada and the state of Maine in order to come to a mutual agreement aimed at granting unemployment insurance benefits to Canadian lumbermen working in that state?

(Text):

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I thank the hon. member for sending me notice of his question this morning, but because of other preoccupations I did not have a chance to discuss the matter with the officials of the unemployment insurance commission. I will do that and have an answer at the earliest possible moment.

CANADIAN BROADCASTING CORPORATION

MAX FERGUSON SHOW—INQUIRY AS TO GOVERNMENT ACTION

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I wish to address a question to the Secretary of State. In view of the continuing public protests against the Max Ferguson show yesterday, and other programs with similar overtones which attempt to create animosity between Canada and the United States, deride government policy and undermine our national morals, will the minister inform the house what action he is taking, or contemplating, to ensure that the Canadian Broadcasting Corporation does not carry programs which so obviously are harmful to the security and well being of the nation?

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, I am very grateful to the hon. member for Red Deer for giving me notice that he intended to ask this question. I hope the house will forgive me if I make a rather more extended reply than I usually do to questions, because this is the first time I have been asked a serious question about the programs of the C.B.C.

Mr. Bigg: Get on with it.

Mr. Pickersgill: And if the hon. member for Athabasca (Mr. Bigg) can just contain himself, which I know is very difficult for him, I will be very glad to continue what I have to say, which is quite serious. I am sure that the hon. member for Red Deer and every other hon. member of the house would agree that in any free society nothing would be more undesirable than to have the government, or any member of the government, seek to direct broadcasting, the press or any other medium of public opinion.

Some hon. Members: Hear, hear.

Mr. Pickersgill: I can assure all hon. members that I have no intention of attempting to do that, and I feel quite sure I speak for my right hon. friend the Prime Minister and all my colleagues when I say no one in this government has any such thought. At the same time we do know that the Canadian Broadcasting Corporation is responsible to parliament, not to the government but to the whole of parliament, and the means of exercising that responsibility is always going to present a serious problem.

I am sure no one of us has reached a final conclusion as to how that can be done, but it seems to me so far as programs are concerned the best way it can be done is to appoint the ablest possible people to the board of directors, and the ablest possible people to manage the C.B.C., and leave the responsibility to them and hold them accountable for what they do.

I am sure the C.B.C. will take account of the opinions expressed by the hon. member for Red Deer today, and that they will take account, and proper account, of any opinion expressed by any hon. member, even a member of the government; because I do not think the members of the government should be deprived of their citizenship in expressing their opinions about programs just like anyone else, but neither do I think the C.B.C. should pay any more attention to the views expressed by members of the government than they should to those of other citizens.

(Translation):

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, could the Secretary of State tell us when he proposes to call a meeting of the sessional committee on broadcasting in order to study the C.B.C. report?

(Text):

Mr. Pickersgill: Mr. Speaker, perhaps it is too bad there is not, but the fact remains that there is not a standing committee on broadcasting at the present time. I would hope that the committee on procedure, which we would like to see set up as soon as we could, would give consideration to the possibility of providing for a standing committee on broadcasting. As to whether it will be possible at least in the early part of the session to find the time to set up a special committee on broadcasting, in view of all the other preoccupations, I am not sure, but I will be glad to discuss the matter with my colleagues.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I put a supplementary question to the Secretary of State. Now that he has heard about the Max Ferguson show will he try to listen to it in the mornings, as some of the rest of us do, so that he can enjoy its very good humour?

Mr. Pickersgill: Mr. Speaker, if the hon. member, who is most ingenious in introducing legislation into this house, could introduce a bill that would ensure there were 26 hours in the day instead of 24, I would try to do what he suggests.

POST OFFICE DEPARTMENT

REQUEST FOR IMPROVEMENT IN DESIGN OF STAMPS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to direct a question to the genial Postmaster General. In view of the continuing and general criticism of the designs and patterns of Canadian stamps, and in view of the long standing interest of the minister in philatelic art, would the minister inform the house whether he is giving consideration to improving the beauty and appeal of Canadian stamps?

Hon. Azellus Denis (Postmaster General): Mr. Speaker, the answer to the hon. member's question is yes, but I must add that the 1963 stamp program had been approved before we took office. We are already working on the 1964 program, and I hope that 1964 will be the year of good looking Canadian stamps.

BREAD

REQUEST FOR INQUIRY INTO PRICE INCREASES

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question for the Minister

of Justice. Is he aware of the increases in the prices of bread announced simultaneously yesterday by leading bakeries in Montreal and attributed by them partly to the higher cost of sugar? If so, will he have his department look into this matter?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, I had some difficulty in hearing the hon. member's question, and perhaps I should take it as notice and give him an answer on Monday.

An hon. Member: Is your machine not working?

Mr. Chevrier: Yes, it is in perfect order, but when you make so much noise on the other side I cannot hear.

ARTS, LETTERS AND SCIENCES

COMMISSION ON BICULTURALISM—INVITATIONS TO YUKON AND NORTHWEST TERRITORIES

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I would like to ask the Prime Minister a question in connection with the letter which he sent the provincial governments, a copy of which appears as an appendix to *Hansard* for May 20. Was such an invitation extended to the governments of the Yukon and the Northwest Territories?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I do not know about an invitation in this letter, but I will look into the matter to see whether the letter itself went to the territories in question.

Mr. Nielsen: As a supplementary question, if the letter did not go to the governments of the Yukon and Northwest Territories, will the Prime Minister assure the house that the governments of those territories will be invited to participate in this discussion?

Mr. Pearson: Mr. Speaker, I would be glad indeed to give the hon. gentleman an assurance that the governments of those territories will be given every opportunity to participate in this work to which he refers.

Mr. Eric A. Winkler (Grey-Bruce): On a question of privilege, Mr. Speaker, since there has been reference to the Northwest Territories, may I this morning thank Your Honour and the Clerk of the house for bringing into our active membership today on the Conservative side of the house the representative for the Northwest Territories.

Some hon. Members: Hear, hear.

[Mr. Mather.]

TRADE

COPPER AND ZINC—U.S. REPRESENTATIONS ON LIMITATION OF CANADIAN EXPORTS

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I would like to direct a question to the Minister of Trade and Commerce. Has the minister received any representations from the United States in regard to limiting our exports of copper and zinc?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I would like to thank the hon. gentleman for giving me notice of his intention to ask this question. As hon. members of the house are aware, the United States itself imposes import quotas on zinc. I thought I should say that so there would not be any misunderstanding about my answer to the question, which is in the negative; we have not received any representations with regard to limiting our exportation of copper and zinc to the United States.

DEFENCE PRODUCTION

REPORTED U.S. INTENTION TO REDUCE ORDERS IN CANADA

On the orders of the day:

Mr. H. Russell MacEwan (Pictou): Mr. Speaker, a week ago I asked a question of the Minister of Defence Production, at which time I drew to his attention the report of the intention of the United States government to reduce defence orders in this country. May I ask him today, have his hopes of one week ago been realized in that he has been able to meet with United States officials on this important matter and, if so, has he reached the satisfactory solution to the problem which he mentioned in this house at that time?

Hon. C. M. Drury (Minister of Defence Production): Mr. Speaker, in answer to the hon. member, my hopes remain as high as ever. Unfortunately it will not be until next week that an opportunity will be presented to have a concrete discussion of the facts and problems at issue.

COMBINES

FISH—INQUIRY AS TO STATUS OF INQUIRY

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to the Minister of Justice. Perhaps it is one which the minister might like to take as notice. I would ask the minister whether he can indicate to the house the present standing of the inquiry

by the restrictive trade practices commission into the production, sale and distribution of raw fish, which has been delayed for so many years because of injunctions and other court proceedings.

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, I am afraid that is another question I will have to take as notice and reply to on Monday.

[*Later:*]

Mr. Chevrier: Mr. Speaker, I understood that the question put by the hon. member for Skeena a moment ago had to do with the British Columbia fish case. If it had, I have the answer to his question here.

The proceedings were somewhat lengthy, but the court proceedings have now been concluded and the oral and documentary evidence is being reviewed in order to comply with the judgment of the Supreme Court of Canada in making the evidence available to the parties against whom the allegations are made in the statement of evidence. When this is done the commission will hear argument on the merits of the statement of evidence before making its report. Obviously, therefore, it will be some time before the commission is in a position to make its report.

LIVESTOCK

REPORTED DANGER OF OUTBREAK OF ANTHRAX

On the orders of the day:

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, I would like to reply to a question asked by the hon. member for Acadia (Mr. Horner) on May 28. His question was, what is the Department of Agriculture doing to prevent the spread of anthrax disease? His question was based on an article appearing in the *Financial Post* of May 25 this year which made reference to an outbreak in the Northwest Territories.

In July, 1962 an outbreak among buffalo in the Slave river area was uncovered. Measures to control and confine the disease were carried on jointly by the Department of Agriculture and the Department of Northern Affairs and National Resources. Veterinarians from the Department of Agriculture were dispatched to the area to conduct a survey and supervise the disposal of all buffalo carcasses. The Department of Agriculture established a quarantine area which prohibited the movement into or out of the area of all buffalo and parts of buffalo. The quarantine will remain in effect for this coming season at least. While no further cases have appeared, rigid surveillance of the area will be maintained.

More recently a case of anthrax was uncovered on a farm at Richmond, Fraser Valley, British Columbia, on May 4, 1963. Diagnosis of the disease was confirmed. The outbreak involved the loss of two cattle. Normal disposal, precautionary and quarantine measure were initiated, and no further cases have developed.

(Translation):

CANADIAN NATIONAL RAILWAYS

REFERENCE OF REPORT TO HOUSE COMMITTEE

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to direct a question to the Minister of Transport.

As we have now received the C.N.R. annual report, can the minister tell us if it is his intention to call shortly a meeting of the sessional committee of railways, canals and telegraph lines?

(Text):

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, the minister does not call a house committee, but I have every intention of referring the annual report of the railways to the committee as soon as it is set up.

[*Later:*]

Mr. Fisher: Mr. Speaker, I would like to ask the Minister of Transport to clarify his reply. Is it his intention to refer the C.N.R. annual report to the committee on railways, canals and telegraph lines, or is it the intention of the government to follow the usual practice of having a special sessional committee? In that case, I should like to ask the minister whether it is not the case that the motion setting up the committee is placed on the order paper at the government's initiative.

Mr. McIlraith: Perhaps we could sort out those questions. The most important one has to do with whether or not it is the intention of the government to refer the annual report to a special committee or to the standing committee. With the permission of the house I should like to have the leader of the house give an answer on that point.

Hon. J. W. Pickersgill (Secretary of State): I have been having some discussion with hon. gentlemen opposite about the possibility of all transport matters being referred to one committee instead of having two committees, because of the multiplicity of committees we are bound to have in any case. So far we have not reached an understanding on that point, but I was hoping it might be possible to have another meeting tomorrow. Until we have ended these discussions it will not be possible to say what the government intends to propose, but I can assure the house that

we intend to seek to do what hon. members would like to have us do in connection with this matter.

PENITENTIARIES

DRUMHELLER, ALTA.—REQUEST FOR CONSTRUCTION OF INSTITUTION

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, I should like to direct a question to the Minister of Public Works, or probably the Minister of Labour. In view of the fact that several hundred unemployed coal miners who are residing in the Drumheller valley, namely in East Coulee, Nacmine, Midlandvale and Newcastle, are living on social welfare, would the present government reconsider its position and proceed to build the penitentiary at Drumheller so that these men who are unemployed can get other work and live with dignity with their families?

Hon. Lionel Chevrier (Minister of Justice): I think I can answer that question, Mr. Speaker. In accordance with the program which was laid down by the previous government, my understanding is that the penitentiary in Drumheller was not to be built until 1966 or 1967; in any event not in 1963 and certainly not in 1964. But in view of the statement made by the hon. member I am sure that my officers, my colleagues and myself will be glad to take another look at the situation. However, I would not like to leave my hon. friend under the impression that the previous government had decided to proceed rapidly with the construction of that building.

[*Later:*]

Mr. Chevrier: Mr. Speaker, in relation to the question asked by the hon. member for Bow River, I now find that the plans of the former government for the construction of a penitentiary in Drumheller did not call for the beginning of work until 1964-65.

Mr. Woolliams: A supplementary question in view of that reply. Has the minister any information that work was already commenced under the previous government on this institution, and that the water has been laid from the city of Drumheller to the penitentiary site?

COAL

CONTINUATION OF SUBSIDY ON EXPORTS TO JAPAN

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): A supplementary question, Mr. Speaker, which is directed to the Minister of Mines and Technical Surveys. Is it the policy of the present government to continue paying subventions on anthracite coal from Canmore, so that the miners from that area of Alberta will continue to have full employment? That coal, as the minister knows, has been shipped to Japan under a trade agreement entered into by the previous government.

Hon. W. M. Benidickson (Minister of Mines and Technical Surveys): Mr. Speaker, my hon. friend will find an item in the estimates tabled for this year which refers to the normal subvention policy for a year ahead. With the qualification that I am not yet personally acquainted with the Canmore problem, I do not think there has been any change in the policy of putting these matters in the estimates.

NATIONAL PARKS

CAPE BRETON HIGHLANDS—REPRESENTATIONS RESPECTING WAGES AND HOURS

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): May I direct a question to my good friend and fellow Cape Bretoner, the Minister of Labour. Before doing so, may I wish him every success in his new post and a short tenure of office. Has the minister received a communication from Mr. Paul Emile Maillet, secretary treasurer of the prevailing rate employees district affiliate of the civil service federation at the Cape Breton Highlands national park, requesting an increase in wages and a reduction to a 40 hour week with the same take home pay? If so, what reply has been given?

Hon. A. J. MacEachen (Minister of Labour): I do recall receiving a communication from the gentleman in question, a reply to which has, I am sure, been prepared and sent to him. But I would point out to the hon. gentleman that the subject matter of the request does not lie specifically within the responsibility of the Department of Labour.

LABOUR CONDITIONS

REQUEST FOR EXTENSION OF DEADLINE FOR PAYMENTS

On the orders of the day:

Mr. J. E. Pascoe (Moose Jaw-Lake Centre): I would like to address a question to the Minister of Labour. In my constituency considerable construction is being carried out under the fine winter works program of the previous government. Under the terms of this program the federal government pays half the labour costs. In cases where there has

been some delay because of construction problems, is there any possibility of the deadline being extended in respect of federal payments past May 31?

Hon. A. J. MacEachen (Minister of Labour): This particular matter has been brought to my attention by others who are interested in similar problems in their municipalities, and my information is that the order in council establishes a deadline for May 31. It is not proposed to extend the time period at this time.

PUBLIC SERVICE

REQUEST FOR DECISIONS RESPECTING SALARY INCREASES, PENSIONS ETC.

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I wish to direct a question to the Minister of Finance. In view of assurances which we have been given from the treasury benches that matters affecting civil servants such as pay increases, pension adjustments and collective bargaining are under active consideration, can we expect decisions on these matters before this government's first 60 days expire?

An hon. Member: Twenty one days left.

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, there are 21 days left as somebody has just said. We are working on these things, and I will give an answer as soon as I can, though I cannot be specific as to the date.

Mr. Knowles: Can the minister find out what is the hold up respecting pay increases to those who were not given increases effective last December 10?

Mr. Gordon: These matters are under consultation or discussion between the interested parties.

INQUIRY AS TO FREEZING OF CIVIL SERVICE ESTABLISHMENT

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I hesitate to ask this question now that we have found the Secretary of State is on a sort of 24 hour rack. I asked him a question yesterday with regard to civil service postings and the end of austerity, as announced by one of his colleagues, and he said that he would consider a reply. I wonder whether he could give it now?

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, it is true that yesterday I asked for more time. I did that again today, but I think the Minister of Finance, who is the proper minister to answer the question, is ready to answer it now.

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, the whole question of the freeze on recruitment in the civil service is under review. It is under discussion by the government, but it is only one of the many features that are being taken into account in reviewing expenditures. I should like to assure the hon. gentleman that I am not on a 24 hour rack or even an 18 hour rack, but I will get on to this as fast as I can.

VETERANS AFFAIRS

INQUIRY AS TO APPOINTMENTS TO PENSIONS COMMISSION

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I should like to ask the Minister of Veterans Affairs whether any appointments, either permanent or ad hoc, have been made to the Canadian pensions commission since April 21 this year?

Hon. Roger Teillet (Minister of Veterans Affairs): Mr. Speaker, there are some under way but perhaps I could answer this question on Monday.

STATEMENT ON PENSION ENTITLEMENT OF SERGEANT LEJA

On the orders of the day:

Hon. Roger Teillet (Minister of Veterans Affairs): Mr. Speaker, yesterday the hon. member for Kootenay West asked this question:

> Does the very brave Sergeant Leja, who was seriously wounded as a result of the unfortunate bombing incident in Montreal recently, qualify for a pension under the Canadian Pension Act?

Mr. Speaker, the answer to that, of course, is yes, he will qualify. May I add that he is being treated now by the medical officers of the Department of National Defence? At a later date when he has been released from service in the Canadian army he will be eligible as a world war II veteran for all the benefits and allowances of the veterans charter. It will then also be possible to determine the extent of his permanent injuries and the Canadian pension commission will then review his medical history and rule on the amount of pension to be paid.

(Translation):

TRANS-CANADA AIR LINES

REQUEST FOR INCLUSION OF FRENCH NAME ON AIRCRAFT

On the orders of the day:

Mr. Maurice Côté (Chicoutimi): Mr. Speaker, I should like to direct a question to

the Minister of Transport. Could he tell us now whether the words "Air-Canada" will figure before long on the aircraft of that crown corporation to prove to the world that Canada is a bilingual country?

(Text):

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, the hon. gentleman asked a question on this subject some days ago, and I fear that what appears in *Hansard* is somewhat different from what I heard through the translation system. I will get him an answer to this question and put it on record.

INDIAN AFFAIRS

HUNTING RIGHTS OF INDIANS ON RESERVES

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to the Prime Minister because it involves more than one department. My question is based upon a court decision rendered yesterday by Chief Justice McRuer of Ontario to the effect that the ancient hunting rights of Indians in Canada, as guaranteed by King George III's proclamation of 1763, were upheld. I wonder whether I could ask the Prime Minister if steps will be taken to acquaint the various departments of the federal government, and perhaps by way of communication the provincial governments, with this decision in order to prevent any future infringement of these rights, as has been the case over the past number of years?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I will be glad to do that, and to do what I can to ensure that the commitments entered into by King George III are maintained.

Mr. Howard: A supplementary question. Will the Prime Minister move with the same speed to make sure the commitments which he made are brought into being?

PENSIONS

INQUIRY AS TO INTRODUCTION OF CONTRIBUTORY SYSTEM

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. Having contained myself for a while, at the minister's suggestion, may I now ask her if the government's legislation respecting contributory and portable pensions will be on the order paper of this House of Commons within the government's first 60 days?

[Mr. Côté (Chicoutimi).]

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): May I ask the hon. and charming member to continue for just a while to contain himself?

SUPPLY

INTERIM SUPPLY

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

Mr. Gordon moved:

That a sum not exceeding $1,430,259,968.45, being the aggregate of—

(a) four twelfths of the total of the amounts of the items set forth in the main estimates for the fiscal year ending March 31, 1964, laid before the House of Commons at the present session of parliament, $1,282,100,552.00;

(b) an additional five twelfths of the amount of loans, investments and advances item L20, $416,666.67;

(c) an additional four twelfths of the amounts of fisheries item 45, northern affairs and national resources item 10, public works item 190 of the said estimates, $737,333.34;

(d) an additional three twelfths of the amounts of atomic energy item 5, mines and technical surveys item 45, northern affairs and national resources item 5 of the said estimates, $307,025.00;

(e) an additional two twelfths of the amounts of agriculture item 100, external affairs item 78, mines and technical surveys item 80, public works items 20, 135 and 195 of the said estimates, $2,376,416.67;

(f) an additional one twelfth of the amounts of external affairs items 60 and 65, fisheries items 30 and 85, forestry items 15, 25 and 35, legislation items 40 and 45, mines and technical surveys items 30, 35, 40, 50, 70, 100, 105, 125 and 130, national research council item 1, national revenue item 25, public works items 125 and 185, trade and commerce items 15, 20 and 28, transport item 222, of the said estimates, $11,626,316.77;

(g) four twelfths of the total of the amounts of the items set forth in the supplementary estimates (A), for the fiscal year ending March 31st, 1964, laid before the House of Commons at the present session of parliament, $110,163,277.67;

(h) an additional seven twelfths of the amounts of external affairs item 96a, loans, investments and advances item L63a, $15,665,416.67;

(i) an additional five twelfths of the amounts of northern affairs and national resources item 110a, loans, investments and advances item L13a, $5,841,005.42;

(j) an additional one twelfth of the amounts of fisheries item 30a, public works items 20a and 135a, transport item 222a, $1,025,958.34;

be granted to Her Majesty on account of the fiscal year ending March 31, 1964;

Provided the amounts hereby authorized to be paid and applied in respect to these items shall be deemed to include and not be in addition to the amounts authorized for such items by the special warrants issued by the Governor General pursuant to orders of the governor in council of April 1, 1963 (P.C. 1963-546) and of May 2, 1963 (P.C. 1963-702).

(Translation):

Mr. Gregoire: Mr. Chairman, I rise on a question of privilege. Every political party in this house received a copy of what you just read. We received it in English only and not in both languages as it should be.

Furthermore, I note that on several occasions since the beginning of the session, the one who occupies the seat of the Speaker or of the chairman of the committees, first proceeds to read a statement in English and when the time comes to read it in French, someone says: "Dispense". Thus the Speaker or the chairman is dispensed from reading his statement in French.

Well, Mr. Chairman, I submit that if this practice goes on and on, before long, the reading will be done in English only and the French language will not come into the picture when the Speaker or the chairman has something to read in this house. That is why I raise the question of privilege on that matter.

Mr. Chevrier: Mr. Chairman, may I reply to the question of privilege just raised by the hon. member for Lapointe.

I think it would take too much time to read all over in French a statement like the one the deputy chairman of the house read in English a few moments ago.

In order to uphold the rights of the French language, I suggest that alternately, in such circumstances, the statement be read in French or in English, and vice versa, so that it could not be said that one language has preference over the other.

I think that even in some other circumstances, it would be possible to proceed in the same manner without encroaching upon the rights of one language or the other. It seems to me this suggestion should receive the approval of the house.

Mr. Gregoire: Mr. Chairman, again on a question of privilege, may I say that I think the suggestion of the Minister of Justice is a very good one, just like the implied suggestion made by the federal government when the speech from the throne was read one paragraph in English, another one in French and so on.

I think this suggestion is acceptable to the members of this house. But when we get copies of documents from the Department of Finance, we should get them in both languages.

(Text):

Mr. Gordon: Mr. Chairman, first of all I should like to apologize to the hon. member for Lapointe if copies of the resolution were not sent to him in both languages. I will try to see that this is done in the future.

The amounts of the appropriations requested in this resolution are intended to cover the amounts authorized by Governor General's warrants for the months of April and May and the amounts needed to provide for anticipated expenditures in the months of June and July. Broadly speaking, the government is asking for approximately four twelfths of the proposed expenditures for the year. In some cases the authority asked for is less than four twelfths, while in other cases it is more than that percentage. This is based on the time of year in which the proposed expenditures are normally made.

The bill that will be presented will be essentially in the same form as other interim supply bills submitted to the house on previous occasions. There will be a few changes which, of course, I will bring to the attention of the house when the bill is being discussed in detail. For the most part these changes are necessary because the expenditures for the months of April and May were authorized by Governor General's warrants.

Naturally, Mr. Chairman, I wish to assure hon. members that the passing of this interim supply bill will affect in no way the rights and privileges of hon. members to discuss or criticize any item in the estimates when it comes up for review in committee of supply. I should like also to add that it is the intention of this government to bring forward supply motions at an early date in order that the departmental estimates may be fully discussed.

I should like to mention also, Mr. Chairman, that the bill will include authority to borrow an additional amount of one billion five hundred million dollars if and when the necessity arises, for public works and general purposes. I shall be pleased to do my very best to answer any questions that may be raised by hon. members in connection with this resolution or later in connection with the bill.

The only other thing I think I should say at this time is that the request for interim supply at this stage of the session is, I believe, a customary one. I had thought of asking for only one month's interim supply plus the two months authorized by Governor General's warrants, but if I were to do this it would mean coming back to the house in June with a request for an additional month's supply. It seemed to me that this would be an inefficient way of doing things and an unnecessary imposition on the time of hon. members. I should perhaps make it clear that if, as some hon. members hope, it will be possible for the house to adjourn for a few weeks this summer before all the estimates have been passed, it will be necessary for me to introduce another interim supply bill some time during the month of July. There are a lot of things to be done in the meantime, however, and that matter can perhaps best be dealt with when the time comes.

As I have said, Mr. Chairman, I shall do my best to answer any questions that hon. members may wish to ask respecting this resolution.

Mr. Nowlan: Mr. Chairman, this is my first opportunity to formally congratulate the Minister of Finance upon the high office which he now holds as the minister responsible for the financial administration of this country. I was very glad to hear him say this morning that he was not one who was on the rack. If he is not on the rack now I think he will be before he finishes financing all the programs which his colleagues have brought before the House of Commons in the speech from the throne. In any event I want to congratulate him on the appointment he has received, and to wish him very well in the very onerous task which he has to carry out.

He is very fortunate in having a department which is well staffed, as I know from my own experience in that department. I was sorry to read in the press the other day that one of the senior civil servants of the government of Canada, the deputy minister of this department, is going to be relieved from the onerous load which he has carried for a good many years. I am not sure whether the position to which he is going is a lighter one, but I rather think it will be a difficult one since he is to be the adviser to the Prime Minister on university grants. In any event, I know the minister will miss the services of the present deputy minister, and he is fortunate in having a widely experienced civil servant, now secretary to the cabinet, coming in as the new deputy minister. I presume that will ensure a warmth of welcome on the part of other officials of the Department of Finance who will welcome this stranger coming in to take over the office of deputy minister.

As the minister said the other day, these estimates were prepared by the preceding minister of finance and approved by treasury board, and are tabled exactly as they were prepared at that time. I was rather intrigued the other night when listening to a television commentator speaking about these estimates, one of these wise boys who know all the answers. In commenting on the estimates he said that they contained an additional $5 million for the C.B.C. over what had been provided the previous year so obviously these estimates had been prepared by the present government rather than the Tories, who never would have given the C.B.C. any additional money. That just shows how much attention one should pay to statements made by such commentators and sometimes politicians as well.

[Mr. Gordon.]

Those estimates, as we know, were based on substantially reduced estimates which we revised last summer. They were slashed very substantially following the foreign exchange crisis of last year, and the revised estimates which we prepared reduced the original ones by something over $200 million, I believe. The estimates tabled yesterday, which were the ones that we had prepared, show an increase of only $85 million over the slashed estimates which we tabled in July or August. When you look at the estimates and see that the statutory increases under health and welfare, for instance, amount to something like $100 million you can understand why I then wanted and again want now to express my appreciation to my then colleagues and the officials of treasury board for the way they co-operated in effecting a reduction in those estimates. I know there are some who thought it would be impossible to get the estimates down to the level we did, but I do not think we interfered in any way with the efficiency of the public service, and we did achieve a very substantial reduction which is now before us. Of course there already are supplementary estimates and there probably will be further supplementaries which we will deal with from time to time.

We did that, Mr. Chairman, because, as we said in the speech from the throne, we were working toward a balanced budget. It will probably be remembered that the present government, in statements made from time to time prior to the election, stated that they too would work toward a balanced budget. I do not see any reference to that in the speech from the throne, and I suspect that is one of the decisions which is not going to come down in the first 60 days of decision. As a matter of fact, if the program set forth in the speech from the throne is carried out at all, and I presume efforts will be made to that end, we are going to be a long, long way from a balanced budget unless the Minister of Finance adopts the policy of increasing taxation to a substantial degree.

We have heard a great deal about the economy of the country. I know the minister is probably looking forward to increased taxation revenue, though perhaps not increased rates of taxation, due to the expanding economy of the nation. The prime reason the economy is expanding, of course, is the fact that we have now and have had for the past year a realistically valued dollar. When the dollar was pegged at the level it now holds this accomplished a tremendous amount and was a tremendous service from the point of view of the economy of the country.

I will speak more about that in a moment. The exchange fund today is stronger than it

has ever been before. Dollars have been flowing in, and we are now in a very comfortable position so far as balances in the exchange fund are concerned. But as is obvious from the speech from the throne and certainly from private business plans thoughout the nation, if the government of Canada does not have to do so certainly Canadians generally and probably provincial and municipal governments will have to borrow very substantial amounts in the United States during the coming year which will result in a further flow of money into our country.

In this regard there is a very interesting situation developing. The United States rate is going up and our rate has been going down, and at the moment there is a very noticeable though not substantial reduction in the spread between the rate prevailing in the United States and the rate prevailing in Canada. If that situation should develop a little further, we may find it most difficult to attract additional moneys into Canada, because the encouragement which has heretofore been provided by the rate may not be as great as it has been in the past.

Therefore I think it behooves the government to watch its expenditures very carefully and to work toward a balanced budget. I know this cannot be done overnight. I know it cannot be done in one or two years, but we will have to attract money into this country and we will have to keep a firm, stable dollar at the present rate. I do not think that will be a very easy task if we continue to run substantial deficits. Instead of the deficits being reduced, as was our intention, they might very easily be increased, and as every hon. member knows—and no one knows it better than the minister—it is absolutely essential to maintain the present exchange rate and maintain a firm exchange balance.

I think some problems may arise for the minister in that connection. As I have said, extravagant and excessive borrowings can make the task of the minister very difficult indeed in view of the interesting situation prevailing today so far as rates in both Canada and United States are concerned. I think it is necessary, of course, to narrow the gap between the two. I suspect there are very great pressures on other dollars than the Canadian dollar, as everyone knows who looks at the figures at all, and if that differential is not narrowed I think it might be very difficult always to get co-operation from the country to the south because it is having its own difficulties in that connection.

The minister said the other day that he thought there were two ways in which expenditures could be controlled. One was to deal with individual items, and he suggested that was perhaps not the best way of doing it. The other one was to review government policies as a whole and their correlation. I quite agree with him that it is very difficult to go any further in dealing with individual items and individual departments than he has done in bringing forward these estimates which are now before us. As I said, we checked the departments very carefully. I had the co-operation of every one of my cabinet colleagues, treasury board and the then prime minister and I do not think it would be possible to go further. I saw an editorial this morning to the effect that a halfhearted effort had been made to reduce expenditures. I should like the writer of that editorial to have the responsibility of dealing with these estimates because, as I have said, the statutory increases alone in one department are greater than the total increase in the estimates this year. That is indicative of the problem.

As the minister says, probably the easier and better way to do it is to review the relationship department to department in the government as a whole. I would point out to him that the Glassco commission has made a very careful study of this problem. It has brought down report after report, which I think gives the present government the background of the needs in dealing with the relationships of the various departments and possibly achieving savings.

Part of the Glassco commission report would not have been accepted by our government when we were sitting where hon. gentlemen opposite are, on the treasury benches. I am sure the whole of it will not be accepted by the present government; but so far as the general principle, the general plan and the general picture deals with the relationships between departments, I think it is a blueprint which can be very advantageously followed by the minister and his colleagues.

He says he is having a study made by the treasury board, and I know the officials of the treasury board will give consideration to all these problems, but do not think good results will come from any study by the treasury board per se except possibly in emphasizing and applying the recommendations which have already been made by the Glassco commission. The minister referred to this the other day, which was the first time I heard it mentioned since parliament opened. I may say I was very glad to hear it mentioned, and I suggest to the minister that he give this very careful consideration.

In the very brief and practically formal statement he made this morning, the conventional statement made on these occasions,

the minister did not refer to the estimates which have been brought down for the year 1962-63, which have expired. From time to time we have heard that none of those estimates were passed. Mr. Chairman, I am conscious of the fact that we are on interim supply. I do not intend to speak on this matter at any great length on this occasion, but I simply give my hon. friends opposite a due word of caution that if I hear any more talk about the slowness of the previous government in dealing with its estimates or failing to bring them forward, or referring to its lack of leadership in the House of Commons, then perhaps we may duplicate the role the then opposition played during interim supply when we introduced it, and there may not be as much progress made.

We all remember the record on last year's interim supply. I am not going to dwell on that now, but I do suggest to the minister that some steps be taken to validate the estimates which were tabled and the moneys, all of which have been spent, partially on Governor General's warrants and largely on the votes in interim supply. I know the same situation has happened in the house before, and the Minister of Finance would bring in a motion showing what had been spent and a resolution would be introduced validating those expenditures. So far as we are concerned we would expect legislation would be brought in, some form of resolution or legislation, at an early date, validating the expenditures made under the estimates laid before the house by my predecessor the former hon. member for Eglinton. That is all I have to say about those past estimates.

Mr. Chairman, we have heard a great deal about the expansion of the economy, and we have heard a great deal about the benefits which are accruing from the realistically revalued dollar. I think everyone realizes that the economy is expanding at a fairly rapid rate. The figures have been put on the record. I shall not go into those in detail at this time, but the result is largely due to the revalued dollar which was established about a year ago.

The minister says he was one of the first to urge such a revaluation. I think he mentioned it in the book he once wrote, but his voice was singularly quiet on that matter when all his associates were predicting last year that Canada was heading for bankruptcy because of the action we had taken. There was almost a wave of hysteria on the part of hon. gentlemen then in opposition, and if the Minister of Finance did not take part in that chorus at least, as I have said, he was singularly quiet when others were doing so.

[Mr. Nowlan.]

It is very refreshing now to hear him say it is the responsibility of each hon. member of the house to support the revalued dollar. I quite agree with him; it is essential, and I can assure him that hon. members of the official opposition support the value of the dollar were it stands today. But I would remind the house that my right hon. friend, the then prime minister, was nearly defeated last June because of the malicious, false and hysterical attacks made on the revalued dollar. If there ever was an example of brainwashing since Joe Stalin first introduced it in Russia, then that was an example which will always be cited by historians in the future as the greatest example of brainwashing the world has ever known. Mr. Chairman, we hear a great deal about getting the economy rolling again, and getting the economy moving again. Hon. gentlemen opposite said it was in stagnation, but my hon. friend the Minister of Finance loves to quote from the London *Economist,* and I would refer him to the last issue of that bible which he quotes so often, in which it says the present government does not have to worry about getting the economy moving again because it was moving at a very rapid rate when this government came into office.

We have also heard a great deal about the relationships of the previous government with other nations. In fact I heard one commentator say the other night that our relationships with the government of the United States had been at their worst since the Fenian raids. I asked him when the Fenian raids took place and he did not know. Then I asked him to spell "Fenian" and he could not; he thought it was some country in the Pacific. It was just another example of the authenticity, sometimes, of television commentators.

In any event, as the right hon. Prime Minister said in a speech he delivered some time ago, the day has long since past when relationships between this country and the United States would be easy and automatic. I am sure that is true. There cannot be an easy or automatic relationship with any country today, particularly where our trading relationships are so confused and intermingled. I only hope the present government can maintain the same good relationships in the days that lie ahead in dealing with zinc, lead, plywood, gas and all the other millions and millions of dollars worth of exports which we have flowing into the United States.

We have a very, very involved economy and we have to maintain good relationships. We were able to do that, and we were able to keep the economy moving ahead at the greatest rate of expansion since the second

world war. I only hope in the years ahead the present minister and government will be able to do as well as we did during the last few years.

As I have said, Mr. Chairman, I am not going to talk at any great length at the moment, but I would recall that the hon. member for Burnaby-Coquitlam congratulated the mover of the address in reply to the speech from the throne and referred to the charm and grace of that gracious lady. You know, sometimes from where I sit here, when my eyes hit the scene immediately in front of me it is rather boring and disappointing. But then, Mr. Chairman, I can lift my eyes up to the back row and see the graciousness there. It reminds me of the quotation which says "I shall lift up mine eyes unto the hills from whence cometh my salvation."

Mr. Pearson: We can do that too.

Mr. Nowlan: But despite the graciousness, the charm and the efficiency with which the address in reply was moved, I think I read into it a certain suggestion recommending more and more controls and a regulated economy. This is an attitude which we on this side are going to watch very carefully. I heard a radio commentator this morning—as a matter of fact it was the editor of the Ottawa *Citizen*—speaking about legislation which the government proposes to bring in this week. He said—I am paraphrasing it, and very roughly—that they were not going to pay much lip service to orthodox free enterprise. That was the statement he made. That commentator very often seems to speak for this government with some authority. I would hope that prediction is not true. There is no question that we have never had, of course, an absolutely free economy in this nation; everyone realizes that. Even back in the days of 1867 and thereafter, when the C.P.R. was built it could only be built with government assistance at that time. We were struggling colonies; we merged, and Canada developed.

I think we have a unique record of public and private ownership. We are probably the only nation in the world with a great transcontinental railway system owned by the public and with, at the same time, another great transcontinental railway system operating in competition to it which is privately owned. We have a great publicly owned transcontinental radio and television system embracing this nation. We also have a series, and now a network, of privately owned stations. We have merged and combined in a unique way the benefits of public ownership and private enterprise. But essentially and fundamentally this has been and still is a private enterprise economy. I want it to remain that way and I am sure the great majority of Canadian people want it to remain that way. This is not the time to discuss legislation which will be coming down within the next few days, but that is only one aspect of this matter.

We will watch the legislation with a very critical eye because we do not want to see this type of control, whether it is in the national economic development board which we brought forward, and the legislation for which was in committee when the house dissolved, or any other measure. The national economic development board was not designed to bring about a controlled economy; it would have provided indicative planning rather than controlled planning. The whole system of free enterprise is, I think, one which should be safeguarded in this country. It should be subject to the safeguards we now have and the modifications of the two systems which have prevailed throughout all our history and which are part of Canadian tradition and Canadian pride.

That is all I intend to say at the moment, Mr. Chairman. I know there will be questions and discussion later during the day and we will deal with the individual matters as they arise.

(Translation):

Mr. Gregoire: Mr. Chairman, I should like first of all to congratulate the Minister of Finance (Mr. Gordon) on his appointment to such a high office in the Canadian government.

As many others of my colleagues, I have just heard a rather quick description of what took place during the last few years under the previous government. It is perhaps the general feeling in the house that our economy last year and the year before was quite sound, that public finances had been improved and that the country had emerged from its state of depression.

When we consider the present situation, not in this house, but in the various areas of the country, in the different ridings represented here, in the commercial firms, families, homes, then we notice that the economy is not so healthy after all.

In fact, I believe that certain people who deal with financial matters suffer from some sort of disease: they have figures in front of them and imagine that all is well, while actually, all is not so well.

Mr. Chairman, when we look at the estimates brought down at this time, we cannot help but notice one thing: from the financial,

economic and budgetary points of view, the country is presently experiencing a set-back, while it should be expanding. In fact, according to the estimates now before us, we see that we are going through a sharp recession, and I am going to explain why.

Mr. Chairman, when you add up the main and the supplementary estimates, you notice that the total of the estimates for the 1963-64 fiscal year is approximately $6,314,000,000, while last year it was $6,229,000,000, which is an increase of $85 million.

The estimates to be voted are therefore up by $85 million, but on the other hand, when you look at one single item in the estimates now before us, you notice an increase of a little more than $92 million for 1963-64, as compared with 1962-63. This increase of $92 million covers interest on the public debt, which means that if $92 million more are paid as interest, while we are asked to approve additional expenses amounting to $85 million, we are going to spend $7 million less on the administration of the country during the coming year.

This is therefore, to my way of thinking, a set-back in what the government intends to do during the coming year as compared with last year.

If we take a look at the total expenses provided for by the government, we notice that if an additional amount of a little more than $92 million is needed for interest during the current year, while last year the interest on the public debt amounted to $788 million, we shall have to pay $881 million this year.

This is where our present system has led us: our country is sinking deeper and deeper into debt each year and we have to increase the amount of money collected from the taxpayers to pay interest on our debt.

Mr. Chairman, I heard the Minister of Agriculture (Mr. Hays) say the other day: we have cut off the 25-cent subsidy per hundred pounds of milk powder to save $6 million to the Canadian taxpayers.

But today, Mr. Chairman, it can be seen that $92 million are being added to the taxpayers' burden just to pay the interest on the debt, which will give him absolutely nothing. That will add neither to the progress nor to the wealth of the country; on the contrary, the country and the taxpayers will become the poorer.

[Mr. Gregoire.]

In my opinion, the outstanding feature of the estimates is this: a total increase of expenditures due to an increase of $92 million in the interest on the national debt, which means that the total amount spent on the country's business is down by $7 million. That is why I say that right now we are losing ground.

Mr. Chairman, I see a partial explanation for all that. First, I notice that in general, compared to last year, expenditures remain almost the same in all departments, except for a few increases.

I find that the government is becoming more and more a government of bureaucrats where there is a lot of paper work, telephone calls and telegrams. The biggest increase goes for telephones and telegrams; $45 million will be spent instead of $36 million.

On the other hand, the biggest decrease in all the estimates is found under "construction or acquisition of buildings, works and land"; this is the vote covering construction, perhaps, of buildings, post offices and others. As a matter of fact, I find that, last year, $325 million were allocated whereas at the present time the amount to be spent is set at $269 million for the coming year, which means a decrease of $56 million with regard to the construction of public buildings. That is the biggest decrease, whereas the biggest increase, excluding the interest on the debt, of course, is for telephones and telegrams.

I find also increases in the items for stationery, supplies, equipment and office furniture, as well as for materials and supplies.

But there is also another decrease, Mr. Chairman, and I was going to make the tremendous mistake of overlooking it—which is in fact one of the most important, apart from those mentioned in the item "construction, acquisition and buildings"; I am talking about the item respecting "contributions, allowances and subsidies", whether it is in the agricultural or in another field, when, last year, allowances, contributions and subsidies paid to help society at its various levels, amounted to $664 million. This year, it is intended to provide only $582 million, as far as that item is concerned, or a decrease of $82 million.

In the case of allowances, subsidies, contributions, etc., I note a decrease of $82 million; for the acquisition of buildings, a decrease of $56 million. On the other hand,

expenses for stationery, telephone calls, telegrams, and office furniture are higher.

Mr. Chairman, this proves but one thing: the present government intends to favour the inroads of bureaucracy and red tape, instead of directing the affairs of the country towards development and progress.

Mr. Chairman, when the Minister of Finance tabled the estimates, the other day, he stated that they had been prepared by the previous administration because the present government had not had the time to make all necessary adjustments but that changes could be made as the estimates of the various departments were examined by the house.

My reason for bringing those figures and those examples to the attention of the minister this morning is to remind him of his statement that the estimates have been prepared by the previous government. My point is this. When the estimates of a particular department are before the house, then it will be possible to suggest changes as the Minister of Finance stated himself. We are in favour of certain adjustments. We hope that the minister will find time to make the necessary adjustments so that the house may take them into consideration when it examines departmental estimates.

Mr. Chairman, inasmuch as the estimates of the Department of Finance reach $1,302 million, which includes interest amounting to $881 million—this is one of the largest items with the exception of the national defence item—I should like to make a suggestion to the minister and ask him to give it due consideration.

I have enough confidence in his ability as an accountant to feel sure that he will find a way to put my suggestion into effect.

I suggest that the present federal administration should be financed anew, that is, the debt should be re-financed by the Bank of Canada. If he could find means of having that debt financed every year by the Bank of Canada, as he is doing this year, the Minister of Finance could save $881 million.

If the Bank of Canada re-finances the debt for the Minister of Finance, the latter will come to us with a big smile and say: "My friends, we have balanced the budget as we have been promising for several years and we have thus saved $881 million." And nobody will ask him if that was accomplished thanks to a suggestion from a member of the Social Credit party.

Mr. Chairman, one wonders how it would be possible to re-finance the national debt in order to save $881 million in interest. We all know how desirable that would be, especially when it is realized that most of those $881 million go to the chartered banks which loaned the money in the first place without even having it on hand.

Now, we have heard a lot about agriculture since the beginning of this session, and we are told that eastern farmers are being neglected while those in the western provinces still have not got all they need.

I notice, as regards agricultural grants, that the sums granted by the Department of Agriculture come to a total of $171 million, which means that some $171 million are expended for the benefit of the farmers of our country, whereas $881 million are required to pay the interest on the country's debt.

When we take into consideration the amount of money allocated to the C.B.C.—and I wish to mention it now as the Secretary of State (Mr. Pickersgill) is with us—and which comes up to $87 million that is a bit more than half the amount granted the Department of Agriculture, we come to the conclusion that the farmers in this country do not get even twice as much as C.B.C.

The Secretary of State said a moment ago that for the sound administration of a corporation such as the C.B.C., qualified directors should be appointed and then we should rely on the president. Well, if those who are responsible for certain programs do not have enough judgment to make necessary changes from time to time, this means that the president of this corporation does not have any more judgment than the fellow he appointed to that position.

As the minister wanted to assume responsibility, he must learn that we are putting the full responsibility on his doorstep.

Mr. Chairman, may I call it one o'clock?

(Text):

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

(Translation):

Mr. Gregoire: Mr. Chairman, this morning figures taken from the estimates brought

forward this week by the Minister of Finance (Mr. Gordon) enabled me to show that one item puts an especially heavy burden on the budget. I refer to debt charges, or the sum that the Minister of Finance has to spend each year to pay, not the debt itself, but interest on the country's debt, that is $881 million. It should be understood that we do not wish merely to criticize. Above all, we have suggestions to make to the Minister of Finance. I was saying this morning that, in my opinion, the Minister of Finance could rid himself of that budget deficit by having Canada's debt re-financed by the Bank of Canada.

Obviously, if the debt is of about $14 billion and each year there is outstanding interest of $881 million that has got to be paid. On the other hand, if somebody buys government bonds, through a chartered bank, saving bonds, treasury bills, he expects to be paid back, which seems perfectly normal to me. So, I feel it is up to the Bank of Canada to re-finance the debt, and here is how.

Today, we realize that for each $100 of credit in circulation in Canada, there is a real backing of only $8. So if we were to give a real backing to the remaining 92 per cent of the money supply in circulation, the Bank of Canada would have to create new credit equivalent to 92 per cent of the money supply, in order to give the money supply a real backing of 100 per cent.

You might object that increasing the money in circulation by 92 per cent would create inflation. The point is not to put more of it in circulation but simply to give a solid basis or backing to the credit already in circulation. In other words, when a chartered bank makes loans for $100, there is only $8 in the legal reserve or on deposit. If the Bank of Canada created new credit for 92 per cent in loans, it is with that new credit that it would buy back those bonds and that the Canadian debt would be re-financed. That new credit would not go into circulation, would not go back into the hands of the public but would simply act as a cover, as a 100 per cent legal reserve. It would be added in the bank safes and vaults to the other 8 per cent the banks keep at present. That money would not go into circulation. It would serve as a cover, since at present the law provides for an 8 per cent legal cover.

Let us amend the act to provide for a 100 per cent legal cover and the 92 per cent of new credit affected to the payment of the debt would be returned to the vaults of our chartered banks, and that would give our total currency in circulation a legal cover of 100 per cent.

In fact, it would be a simple monetary transaction, just like the transactions which take place now when the government borrows from a chartered bank. When the government borrows money, it is just a matter of a book entry. The reconversion of the public debt, which would be accompanied by an amendment of the act so as to compel the banks to keep a 100 per cent legal cover, it would amount to a mere accounting operation, which would not increase the volume of money in circulation at this time.

At that time, we will be able to say that the banks no longer lend what they have not, but only what they have. This is quite simple, Mr. Chairman, and I trust that if the Minister of Finance wants to take the trouble of analysing the full implication of such a suggestion he will realize that it is possible, and even to his advantage, to free himself of the interest charges he is now paying and, in so doing, to refinance the basis of the federal administration through the Bank of Canada, according to our suggestion today.

Mr. Chairman, before concluding my remarks, there is a subject I would like to mention and which I find very relevant in this discussion of the estimates. Later on a budget will be submitted which will show us how that money is to be levied. It would be well for the Minister of Finance to keep in mind the fact that, as from April 1, 1964, the ultimatum delivered by the province of Quebec demands—an ultimatum always demands—the return to the province of 25 per cent of the personal income tax, 25 per cent of the corporation income tax and 100 per cent of succession duties. If the province of Quebec receives those sources of revenue, we must expect that the other provinces will demand the same, which is, indeed, perfectly normal. So the present Minister of Finance should keep in mind that, as from April 1, 1964, there will be several hundred million dollars upon which he will not be able to rely to balance his budget.

He should think about it right now, because there are only ten months left, as the date

mentioned is the 31st of March 1964. On the other hand, we think that the terms of that ultimatum can be met, and very easily too, because we should not forget that, while claiming those sources of revenue, the province of Quebec wants, at the same time, the federal government to retire from joint programs in fields which are under exclusive provincial jurisdiction.

During the general election, the party now in power mentioned a total of 10,000 scholarships for students. I am very pleased to note that this program was not included in the speech from the throne as scholarships, as well as all matters relating to the education field, do not come under the federal jurisdiction but come under the provincial jurisdiction.

The speech from the throne indicates a plan of municipal loans. Grants are equally mentioned. In my opinion, grants do not come under the jurisdiction of the federal government, but I think that the government should take steps in order that the Bank of Canada may grant loans to municipalities. This would be easily acceptable and practical since the Bank of Canada is not the bank of the central government only but of the provincial governments as well.

The province wants the federal government to withdraw from certain fields such as highways, hospitalization and education. Now, in delivering an ultimatum and in demanding its sources of revenue, the provincial government gives at the same time to the federal government the opportunity to withdraw from fields where it incurs expenses.

Mr. Chairman, this is a very serious ultimatum. At the beginning of the session I was wondering if they were serious, especially when on the very first day of the session I asked the Prime Minister (Mr. Pearson) and the Minister of Justice (Mr. Chevrier) if they were aware of the ultimatum and we got the impression then that they had never heard about it.

In addition, I wondered whether the premier of the province of Quebec was serious when he served his ultimatum and whether he might have forgotten to send it to those it was intended for. On the other hand, the premier of Quebec was not the only one to send an ultimatum, several members of the cabinet did the same, together with many members from both parties in the legislative assembly of Quebec, and I believe that the province of Quebec today is expecting and will demand that the federal government return 25 per cent of her sources of income by April 1, 1964 and a larger percentage in the years to come until they are entirely returned to her.

Mr. Chairman, if I raise this matter when we are discussing supply, it is because in my opinion it is imperative that the Minister of Finance, when he hands down his estimates next year, should realize that he will not be able to rely on those sources of income because the provinces want them back right now and he has only ten months to consider the matter and find means to return to the provinces those sources of income. Therefore, now is the time to discuss this problem.

Mr. Chairman, let us not forget that at the present time there is an upheaval in the province of Quebec which is justified to some extent if not to a large extent. The first claim of French Canadians is the return to the province of her sources of income because they want to be able within the ambit of government administration to govern themselves, to decide by themselves where they are going and what their aims will be according to their own culture and ideals.

An hon. Member: That goes for Quebec.

Mr. Gregoire: It goes for Quebec but let us not forget that confederation is comprised of 10 provinces and that when one province accepted to join the others in a confederation, it was understood that the direct taxation field would be allocated to the provinces. As the central government deprived the provinces of their direct taxes, we readily understand why they refuse to accept the situation and require the return of what belongs to them by right under the terms of confederation. And it is only when all provinces have recovered their rights that we will be able to say that we have returned to the spirit of confederation.

Mr. Chairman, we consider this ultimatum as serious and we ask the present administration to do the same because it is the main claim of French Canadians in confederation.

As for us, we cannot but accept the interim supply bill. No other such bill will be submitted before the end of July because the money provided under this one will last until then.

We hope that the government will consider some of the comments we made in order that it may during the detailed consideration of departmental estimates make changes, for instance under public works, under farm assistance or in the fields where changes are most needed, and I mean as far as the basic social cell of our country is concerned, the individual and the family, so that we may see in the budget increased family allowances, old age pensions and farm assistance, together with a large program of public works to put our unemployed back on the job.

(Text):

Mr. Orlikow: Mr. Chairman, we in this group believe the major problems facing Canada today are economic. Canadians need work and Canada's economy needs to grow at a steady rate. We believe that to achieve this the government must play an increasing role in assuring these objectives. We welcome the statements by government ministers that they intend to participate in a good deal more planning than governments have in the past.

I must say, however, that the people of Winnipeg are bitterly disappointed in the statements which have been made by the Minister of Transport and the Prime Minister with regard to the projected move of the repair shops of T.C.A. from Winnipeg to Montreal. During the election campaign we had a good deal of what I might call political auctioneering in Winnipeg on this issue. The hon. member for Winnipeg South Centre, then the minister of veterans affairs, got a commitment from the cabinet at that time that a cabinet committee would be set up to study the whole question.

The Liberal candidates were certainly not remiss in protesting the move to Montreal. The hon. member for St. Boniface, now Minister of Veterans Affairs, made it clear that he opposed the move from Winnipeg to Montreal. The candidate for Winnipeg South, now the member, pledged to work against the removal of the T.C.A. operation from Winnipeg. The candidate for Winnipeg South Centre, Dr. Douglas, capped it all. He obtained a wire from the leader of the Liberal party, now the Prime Minister, dated March 30 in which the Prime Minister said:

> The Liberal party is committed to a policy of decentralized, regional industrial and economic development. This policy requires the growth of strong regional air centres in Canada. The Liberal party believes that it is in the national interest that Winnipeg should be such a centre and that T.C.A. operations should contribute to this end. A clear statement of policy must now be made to end years of government evasion and indecision with respect to this matter. It is not enough on the eve of an election to vote merely for another study to be made. A new Liberal government will immediately clarify the position of T.C.A. in the light of the full facts—facts which up to now the government has obscured or suppressed. The proper location of T C.A.'s facilities and services will be determined in a manner which will be fair and equitable to the city of Winnipeg.
>
> L.B. Pearson.

Then, the Liberal candidate added this:

> This commitment will be honoured by the new Liberal government and assures that T.C.A. will continue in Winnipeg.

The statement continues ad nauseam. The Winnipeg *Free Press,* than which there could be no more partisan Liberal with a large "l" and Conservative with both a small and large "c", had an editorial on March 4, 1963, headed "commitment". I quote:

> The commitment given last week by Mr. Pearson on what a Liberal government at Ottawa will do about T.C.A.'s maintenance and overhaul base in Winnipeg is the best news T.C.A. employees have had for some time.

I wonder, Mr. Chairman, what the *Free Press* is going to write this week, after the statement by the Minister of Transport that the decision to move the base would be continued by this government. It is a sad tale to be told to the people of Winnipeg. The Prime Minister, of course, has said we will have a statement soon. How does soon compare with "immediate"? I will leave that to the Prime Minister and the people of Winnipeg.

My purpose in rising today is to raise an issue which we in this group think is becoming increasingly important. I refer to the issue of the threat to the democratic rights of the people of Canada, the right to express themselves, whether it be on radio, T.V. or in the press or through organizations and voluntary societies and to promote every objective which they believe to be legitimate. We look with a great deal of concern, and that is putting it mildly, to the increasing and unwarranted interference in the rights of people who belong to organizations to say what they want to say, without surveillance of those organizations and of the people by the Royal Canadian Mounted Police.

We recognize the tremendous value of the work done by the R.C.M.P. as a police force across Canada, but we believe that in the

field of security the R.C.M.P. has been ineffective and has in fact harmed the democratic rights of many Canadians. I do not think the R.C.M.P. is entirely to blame for this. I think parliament is to blame in that in the past parliaments have refused to lay down the broad principles under which the R.C.M.P. are to work in the field of security. To that extent it is parliament that is responsible.

The complaints which have been made frequently and from many sources have been dismissed by the R.C.M.P. and their defenders and the various ministers of justice, and it seems to me from reading old *Hansards* that the more ministers of justice change the more they are the same, because as they change and take their portfolios they seem to be very well briefed by the R.C.M.P., so that whatever the R.C.M.P. does becomes right and proper. We in this group and many people who are not supporters of this political party disagree entirely with this kind of thinking.

The complaints which have been made have not been complaints of crackpots, have not been complaints of communists. Complaints have come from newspapers like the Liberal Vancouver *Sun* and the Liberal Toronto *Star*, from the trade unions and from academic circles. When the leader of this group rose on May 17 and suggested the appointment of a committee of the house to investigate the whole matter of the activities of the R.C.M.P., we were bitterly disappointed to learn that the government, and I take the word of the Minister of Justice who unfortunately is not in his seat, was not giving consideration to the appointment of such a committee. We were bitterly disappointed that this government, so heavily loaded with former professors, would so quickly ignore the requests and suggestions of organizations, and Canadian university professors, that such an inquiry and investigation be held.

If one looks through *Hansard* at the cases that have been raised in other years, if one looks at the representations that have been made to this government and the former government, if one looks at the articles that have appeared in newspapers and magazines, he can readily realize why people are so disturbed. Professor Lower, one of Canada's leading historians and a Liberal, I am told—I know with a small "l" but I am also told a Liberal with a big "L"—said in an article in *Maclean's* magazine as long ago as July, 1957, the title of which was "Is The R.C.M.P. A Threat To Liberty":

> Here is a responsible branch collecting any and all types of hearsay and rumour from unidentified subsources, in other words, tittletattle passed on by irresponsible gossiping, and handing it over to the American secret police, whence it later turns up in congressional committees which, whatever their purpose, publicize it throughout the world.

It is a well known and established fact that the R.C.M.P. sent a report to Washington in 1950 which informed the United States security agencies that it had received reports that Mr. Herbert Norman was a member of the Canadian communist party. It is true that later the R.C.M.P. informed the United States agencies that it had been a case of mistaken identity. I do not have to tell members of the house that by then the damage had been done. As so frequently happens in the United States, the charge was leaked to a congressional committee, with the tragic consequence of the suicide of Mr. Norman.

Professor Morton, head of the history department at the University of Manitoba and a Conservative by politics, had some extremely scathing things to say about the R.C.M.P. and its activities last year. In February of 1962 the Canadian association of university teachers asked the then minister of justice to discuss, and I quote from the letter to him, "the question of alleged R.C.M.P. activity at Canadian universities and colleges." On April 27, 1962 they sent a further letter to the then minister, and I quote again:

> We have a special interest in (1) your department's general philosophy and policy concerning security in the university communities and (2) the techniques employed by the R C.M.P. in investigating members of the university communities in Canada.

A series of detailed questions was submitted to the minister, but as usual the minister indicated to them that it would be impossible to answer these questions because of security reasons. So the secrecy continues. Members know that no meeting was ever held. I understand that a request for such a meeting has gone to the present Minister of Justice and I hope he will not take as long to arrange a meeting as the former two ministers of justice did.

So concerned and upset are members of the Canadian association of university teachers that a motion has been proposed which I understand will be discussed and voted on at their June meeting. It reads as follows:

> The Canadian association of university teachers expresses its disapproval of questions concerning the political or religious beliefs, activities or associations of students or colleagues. Members of the association are advised not to answer such questions even when they are part of the security investigation of persons seeking government employment.

Should this resolution pass, Mr. Chairman, and should members of the Canadian association of university teachers follow the intent of the resolution, we will have a situation in Canada where the university faculties will refuse to co-operate with the police in what may be very important investigations. The blame will not be that of the university staffs; the blame will fall on the government

for their refusal to discuss with parliament or with responsible citizens, and in a free and democratic manner, the work of the security division of the R.C.M.P.

On January 21, 1963 the parliamentary secretary to the then minister of justice replied to a question put to him by the former member for Vancouver-Burrard. The text of the questions and answers is to be found on page 2920 of *Hansard* and reads as follows:

1. Are members of the R.C.M.P. engaged in interviewing students and faculty members at Canadian universities about the political views and political activities of other students and faculty members—

2. What government departments and officials have access to reports made by the R.C.M.P. in this connection?

3. Are private persons and corporations supplied with any of the information obtained by the R.C.M.P., or do they have access to any of the reports made by the R.C.M.P. in connection with these investigations and, if so, under what conditions?

This was the answer:

1. Members of the R.C.M.P. are not engaged in interviewing students and faculty members at Canadian universities about the political views and political activities of other students and faculty members.

Mr. Douglas: That is a joke.

Mr. Orlikow: Surely, Mr. Chairman, this reply did not square with the information discussed by the house in previous years, such as the affair at Laval University where students active in the nuclear disarmament club were questioned and attempts were made by R.C.M.P. officials to recruit students to spy on other students. This was documented in the French press at the time and I can bring that documentation here. I am sure the Lamb case in Winnipeg is well remembered by some hon. members of the house. In that incident a school student who had written a satirical letter to the newspapers was interrogated for a long time by R.C.M.P. officers, so much so that when it was brought to the attention of the minister of justice he apologized to the boy's family for the activities of the R.C.M.P.

Some of us thought we had made a new start as a result of the answers given to the questions which I quoted, but then Commissioner Harvison gave an interview to Mr. Roger McAfee, president of the Canadian University Press, which appeared in the University of Alberta publication *Gateway* on March 27, 1963, headed "Harvison defends investigation." In it he is quoted as follows:

University students are naturally curious. At this age one finds a great deal of idealism and a strong sense of social morality. There are certain abuses in our system which the student may think communism will cure, if he gets only one side of the picture.

[Mr. Orlikow.]

I wonder where he thought they would only get one side of the picture? Is it at the University of Alberta? I did not know there were that many communists in Alberta, or on the staff of the university. Further on in the interview the commissioner said:

We are interested in all types of personal behavior, political or not, which would indicate that he is, or is not, a person who can be properly employed by a government under sensitive circumstances.

Once all possible inquiries have been made, the matter is reported to headquarters in Ottawa. The information on an individual is analysed by men with up to 30 and more years experience in this field.

This results in a factual and evaluated report being sent to the department of government concerned. It is the responsibility of that department to decide whether, on the facts presented, a person is suited to the type of employment involved.

Let me point out what the commissioner is saying. The department concerned gets from the R.C.M.P. only that information which the R.C.M.P. want to send along, and on that basis the department is expected to make a reasonable judgment on the suitability or otherwise of the proposed applicant. If I ever heard of a kangaroo court, that is what Commissioner Harvison is talking about, and that is all you can call it. Let me continue with some more gems from this interview:

Canada is a partner in collective defence pacts, such as NATO. In such arrangements, defence secrets of all countries are pooled and each member has access to all of them. Hence, a security leak in Canada could disclose the secret defence plans of every other member of the alliance.

Mr. Chairman, is the commissioner suggesting that Canada or any other member of NATO has all the military secrets of the United States? What nonsense, what poppycock. Further in the interview the commissioner said:

It is the job of the R.C.M.P. to know where subversion is, and attack espionage wherever it is found. If we think it is found on the university campuses we have to go there.

Some of the criticism comes from people who have a genuine interest in political freedom and who feel inquiries by the R.C.M.P. infringe on this freedom.

Some of the criticism arises from the fact that the communist party itself is very interested in promoting anti anti-communist feelings.

Indeed, the international communist conference in Prague last summer was key-noted by a speech on how to fight anti-communism from William Kashtan, a very prominent Canadian communist, in fact, a member of the national committee.

It was only a short time after his return that we began to see increased criticism aimed at the R.C.M.P.

The only inference I can draw from this assertion is that the criticism of this group, and I assume the criticism of this group, association of university teachers, and the criticisms in this article were inspired by communists. I want to refute that and say

it is unworthy of anybody, and certainly of the commissioner of the R.C.M.P.

One more paragraph from the interview reads as follows:

> I would suggest, however, that it is only those who have made a careful study of this problem, such as the various security services, that can differentiate between the radical or dissenter and the conspirator.

Mr. Chairman, I have been called a radical. I certainly am a dissenter, and I reject completely the suggestion that Commissioner Harvison or anybody else in the R.C.M.P. can decide whether I am a dissenter, a radical, or in fact a conspirator. If anybody is a conspirator, the place to prove that is not in the kangaroo courts of the R.C.M.P. but in the judicial courts of Canada.

It is time the government faced up to its responsibilities in this matter. It is clear from this interview I have quoted that the R.C.M.P. does make investigations, does evaluate the information it gets, does make judgments, does pass on the information to other departments and does pass on information to United States government agencies, all of which only see what the R.C.M.P. sends them.

I think this parliament has a right to ask who is making policy on these matters. Is it the elected representatives of the country, who apparently spoke through the parliamentary secretary in the last parliament when he said the investigations were not being made, or is it the R.C.M.P.? It seems to me this question strikes at the very heart of our democratic system.

Incidentally this interview of Commissioner Harvison brought a very violent reaction from 26 members of the staff of the University of Alberta. A list is appended to the article of those who took violent exception to the police activities in this connection. I do not have time to quote their names today, but hon. members will find the list very interesting.

Maclean's magazine is a very respectable, influential and thorough magazine, and one which we ought to look at very seriously, even though it supported the Liberal party in the last election. It carried a long article by Sidney Katz entitled "Inside Canada's secret police," and an editorial, in its issue of April 20, 1963. I believe *Maclean's* is a reputable magazine and when it publishes an article it deserves the consideration of the public of Canada, of parliament, and of the commissioner of the R.C.M.P. Yet, after having read the article here is what the commissioner said in a letter which he sent to Mr. Katz, incidentally a letter which he released to the press before he sent it to Mr. Katz. I think the commissioner should take a look at his public relations and his ethics before he does that again. He said:

> It is a matter of deep regret that my acceptance of your proposal has led to the publication of such an article as "Inside Canada's secret police". That article contains so many errors, untruths and half truths that some comment from me seems necessary.

Then he goes on to ignore nearly all the charges in the article, and I would like to read a few of the charges which Mr. Katz made. After quoting the statement of the parliamentary secretary, which I have read out, that investigations were not being made, Mr. Katz said:

> The most recent was at Huntington college, in Sudbury, on February 22, 1963, 32 days after Mr. Bell's unequivocal denial.

Let me quote from the statement made by Dr. Newbery of that college. The R.C.M.P. officer questioned Dr. Newbery about the Canadian peace research institute, particularly about "any communist tendencies" in that organization. The article adds:

> He questioned Dr. Newbery about "any communist tendencies" among the staff or student body of Huntington college.

Mr. Chairman, if I may digress for a moment, I think if the R.C.M.P. believe that the Canadian peace research institute is communist in any way, shape or form, then they know absolutely nothing about Canadian political life or about security. How anybody, let alone the kind of people the R.C.M.P. hires, with a grade 10 education could evaluate what communist tendencies are, I certainly do not know and neither does the R.C.M.P. Let me quote further.

> The voice of women, a national organization opposed to nuclear weapons, whose honorary members include Mrs. John Labatt and Senator Muriel Fergusson, has complained that R.C.M.P. surveillance and hints of subversion have discouraged many people from joining their movement. Officials of the combined university campaign for nuclear disarmament, a student movement, are also alarmed.

I do not know whether it had anything to do with Mrs. Pearson retiring from that organization. It may have.

> Last April, CUCND student members staged a peaceful demonstration in front of the parliament buildings in Regina. S & I agents obtained the names of some of the demonstrators. One was a young man living in Yorkton. Two days later, two R.C.M.P. plain clothesmen visited the lad's father and suggested that his son withdraw from CUCND. "It will get him in trouble", the father was told.

What right have any R.C.M.P. officers to suggest to anybody that they should get into or out of any organization? The article continues:

> Then minister of justice Fulton later apologized for this unwarranted intrusion. "The R.C.M.P. went beyond their responsibility", he said.

I have already talked about the Lamb case in Winnipeg. Let me continue with this article:

Mr. Knowles: I wonder if he has ever read Pickersgill's book.

Mr. Orlikow: I wonder if Pickersgill has ever read it. I quote further from the article:

> In April, 1962 at Laval University, two students—Miss Hélène Senecal, the daughter of a Montreal lawyer, and Edward Smith, a social work student whose home is in Lynn, Mass.—edited a special section of the university newspaper, *Le Carabin*, in support of IVCND, the student ban-the-bomb movement. Miss Jacqueline Cyr, another student who was a friend of the two editors, was approached by a man called Plourde. He said that he was an S & I agent, investigating communism on the campus. Would Miss Cyr give him information about Miss Senecal and Smith and keep him posted on the activities of IVCND? Miss Cyr indignantly refused and told her two friends. They immediately visited the local R.C.M.P. offices and confirmed the fact that they were being investigated. Referring to the approach made to Miss Cyr, the R.C.M.P. officer said, "Next time, we'll try and find someone more reliable than Cyr."

That is a very commendable attitude on the part, not of the police in Canada but of the kind of police they had in nazi Germany or that they have in soviet Russia today. I would now like to quote another passage from this article:

> There's the case of a mild and gentle 74 year old widow now living in Regina. Each year for the past twenty she's been visited by an R.C.M.P. security officer. The widow is a "Christian pacifist" by political and moral persuasion. No suggestion has ever been made that she's a communist or a dangerous character. "Each visit, the R.C.M.P. man asks me about my political views and about the books I've been reading", she says. "He seems to be embarrassed by the whole business". Last year, the questioning took a more sinister turn. The mountie asked her about the possible communist affiliations of a member of the Saskatchewan cabinet who was a long-time friend of the widow's late husband.

The commissioner has denied that there is such a case, although the leader of the New Democratic party has stated publicly that he knows this case and that he is prepared to bring this woman before a committee if such a committee should be established. I quote another case from *Maclean's*—

The Chairman: Order. I am sorry to interrupt the hon. gentleman but I must inform him that his time has expired.

Mr. Orlikow: Mr. Chairman, I wonder if I could have another two minutes in order to finish.

The Chairman: Is it agreed that the hon. gentleman have additional time to finish?

Some hon. Members: Agreed.

Mr. Pigeon: Two minutes.

[Mr. Orlikow.]

Mr. Orlikow: I could go on listing case after case, Mr. Chairman, but I just want to sum up my remarks. We believe that the R.C.M.P. should not go out on fishing expeditions in the universities or any organization they may believe may harbour communists. They should only investigate when they have reasonable evidence that a subversive act has been committed. They should not be censors, as they were in the Lamb case. People are being harmed by the R.C.M.P. investigations. Where the information gathered may—

Mr. Bigg: They are not.

Mr. Orlikow: Somebody says, "They are not". I ask the hon. member to think of the Norman case and say that Mr. Norman was not harmed by the R.C.M.P. investigation, which was passed along to the F.B.I. Where the information gathered is used by the R.C.M.P. and is given to another agency, government, private or anything else, the person involved has the right, I would assume, under the British system of justice, to be given an opportunity first to clear himself before the information is passed on. Surely that is an elementary right under our system of justice. We believe that this cannot be done by the R.C.M.P. and that probably another separate agency is required.

The questions I have raised are important. They need to be discussed. They can only be discussed by a parliamentary committee which would hear representations from the R.C.M.P., the Canadian association of university teachers, civil liberties groups, and organizations like the voice of women. It would hear from the editors of *Maclean's*, which magazine made a detailed survey of the whole question, who have offered to appear before such a committee. We hope the government will appoint such a committee. We believe it is long overdue.

I want to close my remarks, Mr. Chairman, by promising the Minister of Justice—although he is not in his seat at the moment—that unless such a committee is set up, when this item is reached in his estimates we in this group guarantee that he will have a long, intensive period of questioning. Our questions will go on for a long, long time.

Mr. Woolliams: Mr. Chairman, as I did not take part in the previous debate I should like to take the opportunity of congratulating you upon your appointment as Deputy Speaker. Perhaps you, sir, will be kind enough to convey to our new Speaker my congratulations on being appointed to his high office in this house.

Before I begin my introductory remarks, I was rather interested in listening to the last

speaker and I would like to say this as a member of the House of Commons. In my experience I have had a great deal of association with the R.C.M.P. and I think I can safely say—and I am sure most Canadians would agree with me—that they are one of the finest administrative police forces anywhere in the world. I say this because of the attack made on them this afternoon.

We are fortunate that we have in the House of Commons a former member of that force, the hon. member for Athabasca. If it is necessary for the R.C.M.P. or any other administrative officers in our democracy to hunt down and seek out communists in this country, provided they do it according to the law, because after all we are governed according to the rule of the law—

An hon. Member: That is the point.

Mr. Woolliams: —then I hope they find them and seek them out wherever they are, whether they be in our universities, in our places of business or in our schools, because I say the most dangerous thing to any democracy is communism within its midst. They are our most dangerous enemies. We know that on the other side of the iron curtain there are communists, but if we have these people in our institutions, and important institutions like our universities, or in our schools, then we must have an administrative branch of officers seeking them out and finding them wherever they happen to be.

An hon. Member: Are there any there?

Mr. Woolliams: I do not know. The hon. member asked me if there are any there. I am not an administrative police officer. But he has a lot of data and if he has information, I suggest it be made public as is his duty as a Canadian; because not so long ago there was a communist in this house—he was a member of this house and he disappeared behind the iron curtain.

I would also like to congratulate the new Minister of Finance on his appointment to that office to take care of the economy of our country. We have heard of his work on commissions, and I understand he is a distinguished author. The other day I heard him answer a question by saying it was dangerous to interrogate a minister of finance or any other member of the treasury benches about the value of the dollar, because such questions were likely to shake confidence in the dollar not only inside Canada but outside Canada. I was amused to find the minister recommending that the dollar be pegged at a level near the level at which the previous government had pegged it. In the hon. gentleman's own book, "Troubled Canada" he had this to say as appears on page 103—but before I read it let me say that many of us on this side of the house agree with the hon. gentleman with regard to many of these things. I only wish the previous minister of finance, Mr. Donald Fleming, had been in his seat on that occasion, when the Minister of Finance said we should not criticize the dollar or discuss its valuation because that would upset confidence in the dollar. This is what the hon. gentleman had to say in his book:

> Since the primary purpose of government policy in the domestic field now must be greater economic growth and a high level of employment, financial, monetary and fiscal policies should be directed to reducing the spread between interest rates in Canada and elsewhere, particularly in the United States; to reducing the inflow of foreign capital and then to maintaining the exchange rate of the Canadian dollar at some appropriate discount below par.

I should like to read that last sentence again because I wish to found my argument upon it.

> —to maintaining the exchange rate of the Canadian dollar at some appropriate discount below par.

I say that when the Conservative government was defeated this defeat did not take place in the last election. It took place in the election of June, 1962, because it was the song of the Liberal party at that time—I am not saying the present Minister of Finance joined in singing it—that the pegging of the dollar at 92 cents would bring nothing but disaster to Canada. It was the tune which went out on television from all the metropolitan centres. The leader of the opposition, as he was at that time, went from coast to coast saying this action by the government would mean a higher cost of living for all Canadians and less revenue to all the primary producers of this country. That was the song the Liberal party sung to the people, not in the last election but in the previous election, as a result of which the Conservative party was reduced to forming a minority government. The present Prime Minister, speaking as leader of the opposition in the previous parliament, pursued the same theme when he spoke on the address in reply to the speech from the throne. I say he carried that tune across Canada. That was the cry of the campaign of June, 1961, which effectively brought the Conservative party down.

There were 208 Conservative members of parliament in the House of Commons prior to that election and it was this song which brought about the downfall of the Conservative party, because members opposite and their supporters told the Canadian voters that because the dollar had been pegged at 92.50 cents—as recommended now by the Minister of Finance in his book "Troubled Canada" both our consumers and our manufacturers would suffer great hardship. That was the

tune which brought about such a deterioration in the confidence of the Canadian people in their government in the days and weeks prior to the election before last, as a result of which we had a minority government. I say this was the election which brought about the downfall of that particular government. I say to this house: that was the greatest deceit ever perpetrated on the Canadian people by any political party.

An hon. Member: Worse than the Pacific scandal?

Mr. Woolliams: The hon. member talks about the Pacific scandal. He knows more about scandals than I do. I know he is attached to the Toronto *Telegram* and I leave him to read some of the pages of the Toronto *Telegram*.

Now, if hon. members do not mind, I would like to discuss, on a regional basis, a problem which affects Alberta, and specifically the promised penitentiary and the training centre near the city of Drumheller whose construction was under consideration. I want to discuss this question on the basis, first of all, of the effect these projects would have on unemployment and, second, in terms of their value in the treatment of young offenders. At one time in the Drumheller valley, in 1950, to be precise, there were 26 mines in operation. By 1962 there were six in operation. In 1950, following the war, at least 1,860 people were employed in the mines. By 1963, that number had dropped to 187. Hon. members may ask: what happened in that community? Well, this is a coal valley in which they mine domestic fuel used to heat homes on farms and in urban centres on the prairies. When that industry got into competition with the petroleum and the natural gas industry, it found itself in serious difficulty. The committee may recall that when the Gordon commission investigated the supply of natural gas in Alberta it found there were 27.3 trillion cubic feet of gas in known reserve and approximately 30 trillion cubic feet which would be available in the foreseeable future. Consumption was estimated at ten billion cubic feet a year. This is the industry which is competing with the coal industry in Alberta, and this is why employment in that industry declined from 1,860 to 187.

For five years, ever since I have been a member of this house, I have brought this problem to the attention of the House of Commons. I have drawn it to the attention of this committee on occasions, asking that the government do something about it, because those men in the Drumheller valley are men who were left there after the war. During the war there was a demand for coal and the former Liberal administration brought these men to the valley. As I have explained, the market deteriorated because of the competition from natural gas, and the men were left there. In 1957 and 1958, when I first campaigned in the Bow River riding, I went to see them. People talk about Alberta being the wealthiest province in Canada. Well, I invite the leader of the Social Credit party to take a trip to East Coulee and other towns in that neighbourhood. He will find there the worst poverty that there is to be found anywhere in Canada. However, maybe the hon. member has other duties which will keep him busy.

When this problem was placed before the Conservative government they took a sympathetic view of it. Two projects were selected for that area—a technical training school to cost $1,700,000, and a penitentiary for young offenders to cost approximately $4 million. This would give jobs to men out of work and who have been out of work for a long period of time. This institution is under construction, and after it is completed would need a staff, I would estimate, of 171 or more to maintain it.

I was happy to hear today the present Minister of Justice say that he would give a sympathetic hearing to the building of this penitentiary. First of all he corrected his figures. He said that the former administration said it would not be built until 1964 to 1966, and then he said 1964. Then I brought it to his attention that construction had already been started, the land purchased, the waterline from the city of Drumheller had been completed to the site, and that some land is now being levelled ready for the building of the institution itself. I hope that he gives it sympathetic consideration and that this project will be continued and built as planned in 1964. This will provide work for people who have been left unemployed because of the loss of the coal market and the closing of the coal mines, and will enable them to live with dignity with their families. These people are no longer receiving unemployment insurance benefits. They worked such a short period of time that the benefits provided by their unemployment stamps have run out and they are living on social welfare. Their need is great and I say that this is a disaster area.

The other point I want to make is that this penitentiary was not to be a penitentiary in the sense that we think of one. It was to be an institution for young offenders. I think the greatest resource in this country, as I am sure everyone will agree, is our young people. Naturally, sometimes they run into difficulty with the law and are confined to institutions. But those institutions should be the kind which reform those young people and give

them a chance to be rehabilitated in society. I say without reservation that the former minister of justice, as I know the present Minister of Justice would agree if he were in his seat, did more for penal reform—I am of course speaking of the Hon. Davie Fulton—than any minister of justice did during the last 25 years. He set up a special committee of which Mr. Allen J. MacLeod was a member.

Mr. Chairman, I just want to refer to an article written by Mr. Allen J. MacLeod who was in charge of the inquiry. It is entitled: "Canada still sends Children to Penitentiary", and appeared in *Weekend* magazine for February 23, 1963. This is one other example I could cite in pressing my case to the present government as to why this institution should be built immediately. As I said, our young offenders should be placed in institutions which will tend to rehabilitate them so they can take their place in society, rather than be confined with hardened criminals. I want to read some extracts from this article, because this committee went from coast to coast interviewing children in various penitentiaries to examine the living conditions and what was being done to help them to become rehabilitated. Some of the evidence is shocking; it is certainly the most shocking thing I have ever drawn to the attention of this house, and the most shocking evidence I will ever read to this house. It says:

> It was difficult for me to find anything wrong with this cheery classroom in St. Vincent de Paul, near Montreal. It was brightly lit, well ventilated, had a good collection of books and educational aids for both public and high school courses and was presided over by a man anybody would have been proud to have had as a teacher.
>
> The only thing wrong was that the children in this classroom, some of them no more than 14, were penitentiary inmates.
>
> The federal training centre, an institution for offenders below the age of 25 which forms part of St. Vincent de Paul penitentiary, often gets 14 and 15 year olds as inmates.
>
> Most have been convicted of theft, breaking and entering and automobile stealing. All have been sentenced to two years or more.
>
> You see children in prison uniforms carrying history and geography books and arithmetic tables and you know they may be finishing their homework in their cells.

It was here that the Hon. Davie Fulton, under the former government, began penal reform in this country, to bring to light these conditions existing in our penitentiaries.

> We are putting more children in penitentiaries today than we were ten years ago. Last year we put away almost three times as many as we did in 1952.
>
> It was alarm over figures like these (and statistics showing general penitentiary population increases) that sent a five member justice department team out across the country last year for an examination of the whole field of delinquency in Canada.
>
> The committee on juvenile delinquency, organized by former justice minister Donald M. Fleming, took a year to complete its travels.
>
> It criss-crossed the country on a unique fact-finding assignment to assess the extent of delinquency and get official and lay opinions on what is being and what can be done.

Mr. Chairman, this is one of the things they found. Reference is made in the article to one child in the penitentiary:

> Henri (who was later released and has apparently been keeping out of trouble) was a polite, wholly co-operative child who responded well to the sympathetic guards.
>
> The guards liked him so well that they chipped in to a fund to buy him a scooter, a toy construction set and a fleet of toy trucks.
>
> "It was quite a sight," one of the guards told me, "to see the boy pushing his way around the prison yard on his scooter."
>
> But St. Pierre thinks the saddest incident of all was the day he took Henri into his office.
>
> "The boy had one request and I couldn't grant it," he recalls. "He asked me if it would be all right for him to go out and play in the streets until supper time."

Naturally the warden, as it was pointed out in the article, had to refuse.

Then there are other illustrations.

> "They cry at night and it breaks my heart. They have no right to put children in penitentiaries."
>
> The right, of course, is granted by the Criminal Code which says that a seven-year-old child can be imprisoned if convicted of a criminal offence.
>
> The only stipulation: that he be "competent to know the nature and consequences of his conduct and to appreciate that it was wrong."
>
> In 1959, the latest year for which these statistics are available, 11,686 youngsters between seven and fifteen were adjudged delinquent in Canada.

Then the article goes on to describe how one fellow was so small that when he was placed in one of these institutions the warden was scared that he might be able to slip through the bars. So I say again that the former administration, under Davie Fulton, did more for penal reform than anyone to bring this to light. We read in history about John Howard and prison reform. If John Howard were alive today and went across this country and saw conditions like that, he would probably be more shocked than he was when he compiled his material in which he recommended the reforms which later came in Great Britain.

Mr. Chairman, let me repeat there are two points I want to make. First of all, men are unemployed in Drumheller. Men are living in poverty in Drumheller valley. There are men ready to build this institution. There are men ready to man and look after this institution when it is built, in conjunction with the new vocational training school. We have a chance to assist the children of Canada, when they run afoul of the law, by seeing that an institution is built which is not like the prisons which we read about in books, but is a place where these children can be educated and rehabilitated and returned to society. I see the Minister of Justice is now in the house. I would ask him to give this matter serious

consideration. A lot of work has gone into this budget. The united mine workers of America, to which the coal miners belong, got up a petition containing almost 2,000 names and presented it to the former government. The chamber of commerce held various meetings and worked with the community so as to get the proper data before the former government. I could name names, such as Mr. Joe Shearlaw of the chamber of commerce in Drumheller, and the president of the united mine workers of America. All of them in their turn did a great deal, and I would ask that this institution be proceeded with forthwith.

With regard to the question of whether or not this institution was on the drawing boards this year, I should like to read this editorial into the record. It was written after there had been some cutbacks in the public works programs by the previous government in June, 1962. The article is contained in the Calgary *Herald* of July, 1962, and reads:

Cutbacks won't hit pen work.

Cutbacks in government spending announced last week will not affect the decision to proceed with the $4 million Drumheller penitentiary, the *Herald* learned today.

An Ottawa source close to justice minister Davie Fulton said the Drumheller penitentiary and other new institutions are "fairly urgent business" because of crowded conditions in other Canadian prisons.

"We don't anticipate any major cutback in penitentiary construction, at all," the informant said.

According to the estimates there is to be $30 millions spent in building penitentiaries. I take it that we are going to build penitentiaries of the same kind as we have in other cities in Canada. I do urge the government, in all sincerity, to build institutions for these young offenders of a type that will enable them to be given proper care, proper education and proper comfort so that they will be enabled to take their place in society like other boys and girls. When you go into these penitentiaries you find that many of these boys and girls are from broken homes in this country. Their environment has been such that they never had a chance to take their place in society like other boys and girls who go to high schools or university.

This morning the Minister of Justice told me, when he was asked a question on orders of the day, that he would give this matter his serious consideration. I ask that this institution be proceeded with forthwith for two reasons: First, so that the men and women living in that valley can live and work with their families and, second, so that the young offenders will not be placed in institutions which are not only unfit for men and women but certainly unfit for children. This is my plea this afternoon, that the government will give it serious consideration.

[Mr. Woolliams.]

(Translation)

Mr. Pigeon: Mr. Chairman, I have many questions to ask with regard to the site of the Canadian universal exhibition which will be held in Montreal in 1967.

I had given the Minister of Public Works (Mr. Deschatelets) notice of my intention to ask those questions. Moreover, I see the Minister of Justice (Mr. Chevrier) just left the house. I would have very much liked them to be present but, in their absence, I shall invite the Minister of Finance (Mr. Gordon)—if he is unable to answer himself—to ask the Minister of Public Works to do so in the next few days.

In order to clear up some misunderstanding among the public with regard to the decision and the measures taken by the government regarding the site of the universal exhibition in Canada in 1967, I would like more detailed information on the following points, which are very important at this time, as the reputation of Canada as a nation is at stake in that vast undertaking: Is it true that, on Thursday, May 9, the minister announced that the government would postpone the official confirmation of the site as long as it did not have the technical reports, which means quite late in June, whereas, on Saturday, May 11, he stated that the official approval of the government had been given. If that is the case, what reports had been received between those two dates?

Did the government receive a technical report, reassuring for the Canadian people with regard to the following problems which might arise, if the suggested site on St. Helen's island were chosen: increased danger for ships entering the St. Lawrence seaway, caused by new countercurrents at the entrance of the seaway; a possibility of greater pressure on the seaway dike as a result of the development of 12 million square feet of land and the subsequent erection of high apartment buildings on that site, which would exert pressure against the dike?

The dangers resulting from the possible filling up to a depth of up to 25 feet, at the proposed site. How will the population of Canada be protected against the danger of a cave-in or possible settling?

The danger from the increased speed of the St. Mary's current, which is already dangerous, and the increased problems for foreign ships docking at Montreal.

The technical studies and the security measures that are needed with regard to the construction of bridges from Jacques Cartier bridge, which belongs to the crown, and

Victoria bridge, of the C.N.R., to Notre Dame island, which is part of the project.

The studies and technical reports needed for the construction of a low level bridge between Pointe St. Charles and St. Helen's island as is proposed in the plan.

The increased danger of ice-jams in the basin of St. Helen's island.

An increased danger for the town of Verdun, with the possible flooding of the La Prairie basin, brought about by an unpredictable freezing or ice-jam.

The fact that, according to some government employees, and particularly to Mr. Glen Bannerman, the laying-out of the site might cost up to $80 million, and that the federal government might be called upon to pay part of that amount.

Are we fully aware of the terms and demands of the international joint commission and the migratory birds convention?

Has the federal government received official approval of Quebec hydro, concerning the impact of the project upon water resources?

According to the act passed by the House of Commons, the Canadian world exhibition is to be held in 1967 on the island of Montreal. Any subsequent and unofficial endorsement given to the project by the former government was subject to the terms of a revised law and to the approval of engineers and expert technicians. Is it not, therefore, tantamount to assuming the rights of the house than to approve officially and definitely a site which does not fulfil all the terms of the law passed by the Commons, and which has not yet met the technical standards set by the former administration, before any changes are made in the law which specifies that the exhibition will be held on the island of Montreal?

In view of the capital importance of site selection and the possible consequences of an error of judgment on the prestige of Canada, not to mention possible damage to property and loss of life in case of catastrophe, would it be possible to table in the house the correspondence and reports that were exchanged in respect to this site between the government and the following authorities which will be interested or have something at stake in the situation:

International joint commission; St. Lawrence seaway administration (U.S. and Canada); St. Lawrence pilots association; national harbours board; Canadian National Railways; Quebec hydro; town of Verdun; Canadian association for bird protection; Department of Transport; town of St. Lambert; government of the province of Quebec; Canadian world exhibition, 1967.

Can the minister who is responsible for the world fair claim that he has been authorized by the house to confirm the choice of that location, considering that the latter is contrary to the provisions of the act which was adopted by parliament in that respect? Can he say that there will be no floods, no ice-jams nor any other sort of dangers, that there will be no risk in the mooring of ships or in the use of the St. Lawrence or of the seaway, that there will be no danger of damage to the seaway and that all the technical studies and reports have been received and approved concerning the five new bridges or ramps which will be fully or partially built over the St. Lawrence in order that the proposed site can be put to use?

I might add that even if that location were technically safe, the important thing is that it should conform with the act adopted by this house. Since the proposed site goes against the law, the government should take all necessary precautions to ensure that it is technically safe before approving it.

Mr. Chairman, I wanted to call the attention of the house to these very important matters for the good reputation of our country, and if the Minister of Finance cannot answer all those specific questions right now, I would ask one of those responsible for the world fair to give us the necessary details so as to enlighten the Canadian people and to meet the official requests which have been made in this regard. These matters have a bearing on the national and international prestige of our country, and I hope that the Minister of Public Works (Mr. Deschatelets), who is responsible for the world fair, or another minister will be able to enlighten us in that regard.

Mr. Chairman, I would like to deal with another subject for a few minutes, namely the Glassco commission report and, more particularly, the Therrien minority report. I hope that the government shall implement as soon as possible most of the recommendations contained in the Glassco report and all the recommendations of the Therrien report. It is all very well to talk about a royal

commission of inquiry on biculturalism. I am all for it in principle but, in practice, the facts are well known.

The Glassco commission, through the Therrien minority report, has shown us the deficiencies which have existed for a long time in the federal administration, and if the government is logical, it will realize the urgent necessity of implementing those recommendations.

The government has the facts before it. It is all very well to conduct inquiries which last four, five or six years, but if the hon. member for Outremont-St. Jean (Mr. Lamontagne) and his colleagues are logical, let them implement as soon as possible the Therrien minority report.

In this respect, let me give you an example of what has been going on since the present government assumed office. On Wednesday, May 29, 1963, *La Presse* published an item entitled:

Is this bilingualism?

A short time ago, the Department of External Affairs sent an account to a Montrealer of French origin who had to seek help from that department in order to return to France. It will be noted that this account, dated May 17, 1963, bears the signature of a French speaking official, Mr. Brisson, but those are the only French words on the document. We all know that this department is headed, since the April 8 election, by Mr. Paul Martin, a "bilingual" minister.

Mr. Chairman, I have here a photostat of this account addressed to a French Canadian from Montreal. It is written in English only and was forwarded by a French speaking official. I cannot for the life of me understand the attitude of the government and of the Secretary of State for External Affairs. There is much talk about a royal commission on biculturalism when in fact a citizen, a French speaking taxpayer is denied the right to receive a bill in his own language. Now I refer to the Glassco commission report in which the Department of External Affairs was blamed for some happenings. I understand that today's minister might have inherited that attitude from his leader who, when he was secretary of state for external affairs, may not have done much to improve the situation. In fact, the Glassco commission members noted that the working language was English and that the environment where French speaking civil servants had to work and live was English.

Mr. Chairman, it is a pressing necessity for the external affairs civil servants and those who will be employed there in the future to have at least a knowledge of French and English, in order to assert, not only at the national level but also at the international level, the bilingual and bi-ethnical character of our nation.

[Mr. Pigeon.]

Mr. Chairman, if we really want to maintain our national unity and if the government is really conscious of its responsibilities—without minimizing the importance of a royal commission on biculturalism when it is a well known fact that the main responsibility rests with the provinces, since education comes under provincial jurisdiction—I call upon the government to keep the undertaking they made during the last election and to implement the minority Therrien report in order to fill the gaps which have always existed and which are detrimental to national unity. That is how we will judge the sincerity of the government, how we will see if they are consistent and really in favour of national unity.

(Text):

Mr. Olson: Mr. Chairman, I wish to say only a few words with respect to what has taken place in the committee so far, and I should like to make an appeal to all hon. members to take a long, hard look at what has been happening. I think we have begun to take these interim supply motions and blow them up into a full scale grievance period. I might say that the Liberal party was as guilty of this as any party during the last session. Furthermore, I do not even exclude my own party from having done this. But I would think it would be well for members to take another look at this trend, reassess the situation and perhaps realize we are making a mistake in doing it.

We are going to have supply motions and every one of the departments is going to be opened. There will be opportunities for the raising of grievances, whether they be individual constituency grievances or grievances of a larger nature such as some of those that have been discussed today. I say this, Mr. Chairman, because I think that by taking a great deal of time on grievances at this stage we are actually holding up resolutions and bills that are apparently ready to be brought in by the government. If these measures were proceeded with we could get on with some of the things that are anticipated in these resolutions and bills and with regard to which many members of the opposition have been asking for immediate action.

While I have absolutely no objection to the raising of grievances, and in fact believe it is quite valid to do so at the proper time, I think it is a mistake to pre-empt time at

this stage, when we should be using that time to deal with new legislation and amendments to other legislation, the result of which could be in line with some of the action members are demanding. I think it is a mistake to take a lot of time at this stage simply to speak to *Hansard*, and through *Hansard* to one's constituents, on these grievances. After all there are such avenues as letters to editors and letters directly to ministers if you have problems.

For example, I have what I think is a rather serious grievance to raise with the Minister of Citizenship and Immigration. I see he is in the house but I am going to pass up this opportunity because I think it is the wrong time to do so. As I said before, there will be opportunities, and I do want to get on with the discussion and passage of the items under government orders on the order paper.

Finally, may I say that I would be the last one to deny hon. members of this house their rights and privileges but I think opposition members also have to co-operate in exercising their rights and pass the legislation and estimates that are necessary for the administration of the country.

Mr. Cameron (Nanaimo-Cowichan-The Islands): Mr. Chairman, I would like to add a few words to what my colleague from Winnipeg had to say just now with regard to some of the activities of the R.C.M.P., and I do so because two cases were brought to my attention in my own constituency that I think should have public airing.

The day after the last election I was called on the telephone by a lady in my constituency who said she and her husband wished to have a conversation with me about a matter they had not wished to bring up during the campaign, but wanted to talk to me about it after the election. I saw her and got from her a most extraordinary story. This lady and her husband—I am sure they would not object to my describing them as such—are very simple people. Her husband is a logger, a native born Canadian who happens to have a central European name, and that is important in the story I am going to tell.

She was interviewed without any warning, by an officer of the R.C.M.P. special investigations branch who called on her after having ascertained by telephone that she was alone in the house, with a proposition that she should undertake to spy on her neighbours, and that her husband should undertake to do precisely the same job among his fellow workers in the logging camp in which he was employed.

This sergeant of the R.C.M.P. informed her that one of the reasons they had selected this couple was because of their name, and because they thought quite possibly people bearing that name might have some knowledge of subversive activities in the area. This couple, as I have said, are a very plain, very simple couple, and they were literally terrified. They were afraid to give a brusque refusal to a course of conduct they found repellant for fear they would be tagged as communists. Her husband was particularly uneasy, because this sergeant of the R.C.M.P. had informed him that the police have their agents in every logging camp in B.C., and there was more than a hint that if they did not co-operate he might have great difficulty in maintaining his job.

Mr. Chairman, I think no one disputes the fact that our R.C.M.P. force has a duty to keep an eye on genuinely subversive elements within the community, although I might say they do not seem to have been very successful in a neighbouring province recently. But my protest is this, that if the R.C.M.P. is going to undertake such work, then it should engage men in the process who are not complete political ignoramuses. In this connection I can only conclude that this man was a complete political ignoramus because he went on to tell this couple that he had informed himself of the fact that they were supporters of the New Democratic party, and therefore obviously would be very close to the communist party, and therefore they could quite easily slide in to the communist party and be welcomed with open arms.

An hon. Member: Oh, oh.

Mr. Cameron (Nanaimo-Cowichan-The Islands): I hear somebody applaud. I am very glad the hon. gentleman did, because I am going to suggest this: no one but a complete political ignoramus would have that view, and to send people out on this supposedly very critical, dangerous enterprise of riding herd on subversives in Canada, people who are complete ignoramuses, is to my mind disgraceful.

I have another case of a young man in my constituency, and I may say this house has not heard the last of this unless I get it cleared up. This young man enlisted in the navy. He came to the naval station in eastern Canada. He was in the navy for two months. He got excellent reports for his ability and his character. Then suddenly he was called in one day and told he was being released from the navy and being sent back home, with no explanation. He was assured there was no

reflection on his character or his ability; the navy had just got tired of him and they were sending him home.

The boy had to go back to his home under this cloud, and when anybody asked him why he left the navy he had no explanation. His father wrote to me about it, and as soon as I saw the signature of the father I guessed what the trouble was. I wrote to the then associate minister of national defence in Ottawa, brought this case to his attention, and I told him I thought if he would investigate he would find it was a case of mistaken identity. I got a letter back from the associate minister saying it was thoroughly investigated and was not a case of mistaken identity.

I came to Ottawa last fall and again brought the matter up with the department. Again I got this unsatisfactory answer, and finally I was allowed to see this young man's file. The first document showed I had been quite right in my assumption that this was a case of mistaken identity.

This young lad had the same name as a man who had run against me as a communist candidate in 1953, and who lives in the same general area of Vancouver riding; but unfortunately for this highly intelligent intelligence service, I happened to know more about that communist candidate than they did, because his father had been in the same platoon as myself in the first world war, and I remember quite distinctly his marriage to a woman of Luxembourg, and the birth of their son. There was no connection whatsoever between these two families of the same name, yet this was the basis on which the highly intelligent intelligence service of this country sent this boy back from the navy, under a cloud that is still hanging over him.

Can you imagine what is going to happen to him when he applies for a job and is asked why he left the navy, and he replies they did not tell him and that he does not know? The implication right away is that there is something wrong with his moral character; and he has no means of refuting it.

Again this is a case of thorough incompetence on the part of those who are supposed to be protecting whatever secrets we are supposed to have in Canada, and I suggest the government will be well advised to have a complete overhaul of the operations of the R.C.M.P. in this regard. If the R.C.M.P. is to be entrusted with this sort of work, then it must recruit people of sufficiently average intelligence and sufficiently advanced educational qualifications so that their opinions will be of some value when they are submitted to others.

Right now the situation is nothing short of a disgrace, and I for one propose, in this one instance I have spoken of, not to allow this young man to remain under a cloud for the rest of his life, or a considerable period of it at any rate, if there is anything I can do to expose the thorough incompetence, and I would say also, the complete lack of responsibility on the part of this supposedly intelligent intelligence service.

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

Mr. Chatterton: Mr. Chairman, I do not want to be part of any designed delay in approving interim supply, such as the Liberal party opposition engaged in in the twenty fifth parliament, but for certain reasons I gave up my opportunity to speak in the throne speech debate, and I want to avail myself of this opportunity to make a few brief remarks. Since this is my first address to the twenty sixth parliament I would like to extend my congratulations to you sir, the deputy chairman of committees and to the Speaker of the house on your election to the offices you hold.

I have three observations to make and the first is completely non-contentious and concerns the conditions under which members of parliament are required to work. I am sure that if our constituents back home realized some of the difficulties under which we have to work, they would be most sympathetic. I am convinced from my own experience in working in the government that in most cases even a junior officer of some department is treated better than members of parliament. Our constituents would be surprised to know, for instance, that a member of parliament is not entitled to a private office, that he shares it with his stenographer and in many cases has to share it with another member and his stenographer. It almost seems that it is thought members of parliament act as such only while the house is in session. For example, we have no stenographic help between sessions. I for one—and I am sure most hon. members are in the same position—receive more correspondence on certain occasions outside of the sessions of the house than I receive when the house is sitting. We all know what long hours we are required to sit sometimes, particularly when the committee meetings start, and sometimes the only occasion we have to deal with our routine correspondence is Saturdays and Sundays. If we had, for instance, a dictating device it would be of great help to us and our stenographers.

Then, Mr. Chairman, I would refer to visits to our constituencies. We all agree that there is no substitute for personal contact with our constituents in order to know the problems which exist in the constituency. In many cases this is not, of course, a real problem, but I travel 3,000 miles to my riding and have to cross the straits of Georgia to get there. My train pass is of no value to me; it takes me eight days back and forth in the train. I am

supposed to visit my riding twice and I receive two tickets to enable me to do so. This is not right. I was very pleased to note that in the speech from the throne there was a reference to a committee on procedure. I hope the government will give these matters some consideration so that members of parliament may be better equipped to represent their constituents and to represent the interests of the parliament of Canada.

The second observation I wish to make, Mr. Chairman, concerns the general impression that is created in my mind by the speech from the throne which was concerned mainly, it seems to me, with a trend toward centralization of power and authority. Having had experience not only in the civil service but in other levels of government, I have clearly seen a continuing tendency, which is inherent in government, to centralize and to concentrate power at a higher level. To my mind this makes for less efficient service to the people of Canada. I know from personal experience that most civil servants are not only capable of greater responsibility but are anxious to take such additional responsibility. But I know that many civil servants have quit in disgust because they have to go to Ottawa to obtain approval for every little thing they do. This natural tendency exists anywhere, and I think it requires positive and conscious action by the government to reverse that tendency.

However, it seems to me that the present government is encouraging that tendency by its own actions. It seems to me the government is itself proliferating this tendency by creating more departments, more bureaux, more commissions, and even splitting departments. I think it is not insignificant that there was no particular reference in the speech from the throne or by any members of the cabinet to the Glassco commission on government organization. I had hoped that this government, as did the previous one, would have appointed one minister to be responsible for the over-all implementation of some of the recommendations of that commission. I wanted to make that observation, Mr. Chairman, and I for one will closely watch this trend. I think it requires positive action by the government to reverse it.

The third observation I wish to make, Mr. Chairman, is with regard to the economic condition of Canada. Hon. members can relax, because I am not going to quote a series of statistics; that has been done sufficiently in this house to date. I refer more particularly to tactics apparently being adopted by the government to deceive the people as to the economic conditions which existed at the time they took office. I think it is well to point out that at the time the Conservative government took office in 1957 and 1958 we were in a period of a descending level of economic activity, whereas when the Liberal government took office it was a period of ascending or accelerating economic activity. Yet this government adopted, by design it seems, the slogan that we must get Canada's economy rolling. I am amused by quite frequent references in the press to the fact that we in the House of Commons should stop reliving previous elections. I am not going to relive those elections but I want to make these points to show that some of the tactics the Liberals adopted in previous elections make them suspect. This is certainly the case with regard to their last slogan of getting the economy rolling. I refer first of all to the 1962 election. Other hon. members have referred to the revaluation and the pegging of the dollar. I was very pleased and interested to hear the Minister of Finance say, in answer to a question a day or two ago, that he had always advocated the revaluation and the pegging of the dollar. In 1962 the propaganda campaign carried on by the Liberals with regard to the revaluation of the dollar was, in my opinion, the biggest single factor which caused the reduction of the number of members of the Conservative party. The hon. member who is now representing Victoria, British Columbia, put out a pamphlet in which he said that our once sound dollar had been devalued. The reason I mention this point is to again remind the people that some of the slogans the Liberals are using today are suspect.

Then I come to last year's election, when the Liberals promised certain things which they now seem to have no intention of carrying out. I refer to a full page advertisement in the Victoria *Daily Colonist* of March 31, which is headed, "The policies of the Liberal party". This is apparently a complete run down of what they were going to do. One of the major items in this full page advertisement refers to health care. I will not take the time of this committee by reading the whole of that part of their advertisement, but any person who read it would automatically and logically assume that the Liberals would, as soon as they were elected, institute a health insurance plan. To date I have heard no suggestion from hon. members opposite that such will be done. Again I mention this because I think the people of Canada should be made aware that this current slogan of the Liberals, of getting the economy rolling, is false.

I am not going to quote statistics because statistics can be confusing to a great many people, as they often are to me. But I want to make two points to illustrate that in my

riding, at any rate, economic conditions are at a very high level. For instance, the small fruits and cane fruits industry is the major industry in my riding. Last year the whole of the berry crop was sold before it was harvested, mainly because of the policies instituted by the Conservative government. This year the loganberry growers—and we have close to 300 of them—for instance, are concerned that they cannot meet the demands of the market. I quote one other factor in my riding, and that is the level of construction. In a riding such as mine, where there is very little industry and which is more or less a dormitory area, the level of construction is a good criterion of economic conditions. Nineteen sixty two was, I think, an almost record year of construction in my area. So far this year, in the first four calendar months of 1963 construction in the municipality of Saanich, which makes up the greater portion of my riding, has increased by close to 70 per cent over what it was in 1962. Certainly the people should be cautioned about the present tactics of the Liberal government, and the slogan which they use of "getting the economy rolling" should truly be to "keep the economy rolling."

Mr. MacLean (Queens): In rising for the first time in this parliament to make some remarks, my first words will be to congratulate you, sir, on being elected to this important position as deputy chairman of committees. I would be pleased if you would convey my congratulations to the chairman of committees and to the Speaker. I also wish to congratulate the Minister of Finance on his appointment to the important portfolio he now holds. I am sorry the hon. gentleman is not in the house at the moment, but that is understandable; I know he will be right back. I hope he will read my congratulations to him in *Hansard* if he is not within earshot at the present time.

Having said that, I wish to bring to the attention of the committee, and I think this is the proper time to do so, the fact that we feel at this time, when we are starting not only a new session but a new parliament, great concern as to the efficiency of our organization. It is not enough to have excellent officials and officers of the house. It is not enough for the government to place legislation on the order paper. It is not even enough to extend hours of sitting and take measures of that sort if we neglect some other key considerations. I now wish to talk for a little while about a selection which has been made, presumably by the Prime Minister; a selection which I consider to be extremely unfortunate. I want it to be clearly understood that I approach this with no bitterness or malice and without making any reflection on the capabilities of the hon. gentleman concerned, especially as I number him among my friends. I consider him as one of my friends, at least within the limitations which the idiosyncracies of his character impose. I refer, of course, to the Secretary of State in his position as leader of the house. I think this is a very important position—a key position as far as the progress of the business of the house is concerned. I am not making any personal reflection on this hon. gentleman. As I have already said, he is a friend of mine. I recognize his great abilities. But I do feel that due mostly to the role he carried out in the last parliament, in an unofficial capacity, no doubt, on behalf of his party, he is completely unsuitable for the present position as leader of the house in which he is cast. I say he is a round peg in a square hole. He may be a very fine round peg, but he is in a completely square hole and completely unsuitable to his present position in the present state of affairs.

We had a situation at times during the last parliament when tension was high. It is possible that this situation may arise again. During the last five years this hon. gentleman has given over much of the ability of his very fertile mind to finding methods, admittedly completely within the rules, of slowing down and prolonging the conduct of the business of parliament. This is unfortunate in the light of what the responsibilities and duties of the leader of the house are. These duties are not very clearly defined, but there is a quotation which I may perhaps be allowed to read into the record. This is what Beauchesne has to say about some of the responsibilities of the house leader:

> It is his task in the name of the government and the party in office to distribute over the session the program of legislation announced in the King's speech and to advocate it in the house. He assumes the duty of proposing all such motions concerning the agenda of the house as are deemed advisable by the government and is their spokesman in the debate thereon ... With regard to every development project, the leader is the final authority as to its general progress, as to the time to be given to its different stages and as to any application of the closure or other available method of shortening debate and bringing matters to a conclusion.

The quotation continues, but I shall not take up the time of the committee by reading further.

Mr. Pickersgill: Would the hon. gentleman permit a question about that question? Was that not in the days when the house leader, the real house leader, and who is still the real house leader, was always the prime minister? I think it was before the

time the humble functions I perform had been assigned to another member in this chamber.

Mr. MacLean (Queens): I see some improvement in the hon. member already. He is expressing some modesty which, on other occasions, was not his custom. But as I understand it, and I may be wrong, the leader of the house does not entirely appropriate all of the responsibilities of the Prime Minister, although some of them he does; these particular responsibilities of the Prime Minister are delegated to the leader of the house.

I make these remarks only as a caution to the Prime Minister. I recognize from the start that it is a caution which will probably not be heeded. I doubt that any attention will be paid to it whatever. Yet I consider it my duty, because of a feeling of moral obligation, to point this situation out to the Prime Minister.

Many members of the opposition, maybe in all three parties, look upon the Secretary of State in his new role as house leader as virtually an affront to the opposition. In case after case in the last parliament he, by various methods, delayed or elongated certain stages of legislation and so on, so that they would not be completed until, perhaps, a certain day, or so that the government would be embarrassed by the tremendously long time taken to get needed interim supply through the house or something of that sort. Now the hon. gentleman is in the position of being the one who has been chosen to ask the opposition to co-operate with the government.

This sort of attitude stems, as far as I can determine, from a colossal conceit on the part of the party now in power. It is a most unfortunate situation for us in this parliament to face at the beginning of a new session. In this connection, certain parties in this house may be under a disadvantage. I say this in no critical way, but two of the parties in this house have never had responsibilities of office. They are, therefore, perhaps not fully aware of the pressures and responsibilities and obligations which a party in power has to support and carry out on behalf of all the Canadian people. I say this in no critical sense, but it is something fully appreciated only by those who have been in that position.

On the other hand, I am a member of a party which, I believe, as a party feels it has no God-given right to be in power all the time. It assumes that the duty of an opposition is an honourable one and that it is not only good for a party to be in office on occasions but that it is good for a party to have experience in opposition from time to time. Of course, it is bad for a party to be in opposition indefinitely, and even worse for it to be indefinitely in power.

We suffer from another difficulty, or did in the last parliament, and it is this. I do not think this is representative of the Liberal party as a whole but only of a small group, a sort of syndicate who look upon themselves as having almost a divine right to rule, and when they find themselves in opposition are so astonished by this turn of events that they begin to think that God is no longer in his heavens, and that something has gone wrong. Therefore their objective is to get back into power by any means available to them.

A party in opposition has responsibilities. It has responsibilities not to set precedents which will hamstring parliament for years ahead. A number of very unfortunate precedents were created in the last parliament. For instance, we had the example of this committee spending, speaking from memory, seven days on a 30-day interim supply motion. At this time the present government is asking, and properly so, for four months supply: two months retroactive, as it were, to regularize the spending of moneys provided by Governor General's warrants, and two months in advance. By this reasoning this debate would at the very least be a 14-day debate. If the Minister of Finance were bold enough to suggest, say, on the thirteenth day, that we had talked on this matter long enough, you would have the house leader in the position where, if he were to be consistent, he would have to leap to his feet and scream: "Closure. You cannot do this. You are curtailing the rights of the opposition to speak", and that sort of thing.

Mr. Chairman, there are a number of things which make me wonder, but what makes me wonder most is why the Prime Minister chose this particular colleague of his to fill this role. I think he could have chosen others of his colleagues who would be much more acceptable to the opposition and to the house generally when it comes to asking the house to co-operate and to save time, and to expedite the business of the house, as the house leader must do on occasion. The house leader himself took great exception when the previous house leader suggested that he thought enough time had been spent on any particular aspect of any particular measure, and the only reason I can see for his appointment is that the Prime Minister, because of his associations over a long period of time, finds himself in a situation where he is blinded to these difficulties—and very real difficulties they are. After all, if you look back you will find that at one time the present Secretary of State was in the prime minister's office. The present Prime Minister was

found a safe seat and brought into parliament as a member of the government. There he established himself with a very excellent record as secretary of state for external affairs. Then you had the opposite event taking place, where the Secretary of State was secretary of the privy council at that time and was found a safe seat in another part of the country and brought into parliament as a cabinet minister.

The operation of this syndicate has continued over the years and is still continuing, because we have further examples of this sort of thing. I could refer to the case of the President of the Privy Council, for example, who came from the office of the then leader of the opposition, although it is immaterial whether he was performing that function or that of the prime minister. The Minister of Labour is in a somewhat different position because he already represented a constituency in this house, and went back to it and won it, which is to his credit. But he spent a period in his leader's office, which is the thing that gives him the key to progress and success, almost a guarantee of inclusion in the cabinet. At some time in some mysterious way he became a member of the syndicate.

Mr. Nowlan: "The Establishment".

Mr. MacLean (Queens): It is suggested that he became a member of "The Establishment". I had intentionally avoided the use of that word in case it might be interpreted that I was poking fun at my good friend the Secretary of State in comparing him with one of the characters in that skit, and I am not.

Mr. Pickersgill: That is all right; I did not see it.

Mr. MacLean (Queens): Hon. members who are new to this house may think that I am very sensitive and have a special revulsion toward this sort of situation, but that is not the case at all. I have been told that in the middle ages, when a victim was thrown into a dungeon, as the situation got worse and worse and the putrefaction increased the prisoner would be completely unaware of the atmosphere in which he was condemned to live, and that it was typical of these prisoners that they could never understand why anyone approaching that atmosphere would be nauseated. Perhaps this is the unfortunate position in which the Prime Minister finds himself, that he is completely unconscious of the atmosphere in which he operates at the moment.

Mr. Chairman, I feel, like the hon. member for Lethbridge, that the original procedure for dealing with interim supply, although the debate being carried on at this time is completely within the rules, has not been an efficient way for parliament to carry on. I think the committee on rules, if it is set up, should give its attention to this matter. Most committees on rules try to do a good job, but frequently they cannot foresee a mind which operates like that of the Secretary of State, which is able to see all the loopholes whereby a perfectly good rule with a perfectly good intention behind it could be sort of prostituted to party purposes, as was so blatantly done in the last parliament by repeated long debates on interim supply.

I suggest that consideration should be given by the rules committee to the setting up of rules so that if the government introduced the estimates early enough and tabled them, and guaranteed a given number of days, perhaps 35, say, as a minimum—this is something which could be negotiated—and arrangements were made for time to be allotted to every department, and this was completed before the fiscal year commenced, then the supply bill could be passed on the last day before the fiscal year without any further debate. This would eliminate completely the necessity for interim supply.

Interim supply is a fruitless operation in a sense, because we have to go over the ground again when the main estimates are before the committee. No progress is made and no ground is gained; we just ensure by this operation that the civil servants of Canada, the armed forces and we ourselves will be paid. This is the main purpose of it.

The members of the three opposition parties, I think, have at least one common denominator. It is this, that we perhaps take the philosophical view of Kant, that a thing is either intrinsically right or it is intrinsically wrong; that the results that may accrue to the perpetrator of the thing have no bearing on whether it is right or wrong. We, in this party, feel it is wrong to misuse and abuse the rules, even if you are technically within them. We feel that deceit is a wrong thing for a member of parliament to carry out, regardless of what its political results may be. We feel that, therefore, there are certain things which responsible members of parliament should refrain from doing, even if it would be to their political advantage to do them. I do not believe that is too high a moral standard for the Canadian people to expect of their representatives.

However, regretfully, I find that in some segments of the Liberal party there is a very flexible conscience so far as this sort of thing is concerned. It stems, I think, from their overwhelming conceit, their colossal conceit, that they have some divine right to rule, and that if they are not in power Providence made a mistake, which they have to rectify

by hook or by crook. As an example of this sort of thing I recall that last winter, I think it was on December 5 as a matter of fact, in the course of the debate on the Atlantic provinces development board the Secretary of State referred to unemployment insurance for fishermen. I was sitting here at the time and I heard his remarks. He said that some people were under the apprehension that there was, in the minds of some hon. gentlemen on the government side, the notion that it should be scrapped. He was referring to unemployment insurance for fishermen.

Mr. Pickersgill: May I ask the hon. gentleman a question?

Mr. MacLean (Queens): Yes.

Mr. Pickersgill: Is it not true that a committee appointed by the government to which the hon. gentleman belonged, recommended precisely that, and was that not a logical ground for that statement?

Mr. MacLean (Queens): No, I do not consider it was, and for two reasons. First, this was a commission making recommendations and, second, what they did recommend was that a form of unemployment insurance for fishermen should be administered by the Department of Fisheries.

Mr. Pickersgill: I am sure the hon. gentleman, himself, does not want to misrepresent the facts. The Gill committee, and he can read the report, recommended that fishermen be taken off unemployment insurance and some other scheme altogether, not unemployment insurance, be provided instead. This was precisely what I was objecting to, and what I still object to. If that is deceit, it is a very curious definition of deceit.

Mr. MacLean (Queens): Well, I think it is definitely deceit for two reasons: One is that there was no definition, it was not even worked out, what this other scheme should be. Second, the recommendation of any commission is not government policy. Surely, the present government is not going to throw the recommendations of the commission in the wastebasket. It would be just as logical for me to say now that the present government is going to scrap unemployment insurance for fishermen.

I wondered why this remark was passed in the house, Mr. Chairman. It is a curious thing, but in parts of the country people can be led to believe that anything that is said in the House of Commons is a fact; that is what is going to happen. Hon. members seem to be regarded as oracles. When an hon. member predicts something is going to happen, that is what is going to happen. People believe that *Hansard* gives it some sanctity, and the program becomes definite.

I found as a fact that in almost every fishing area in the Atlantic provinces it was being said that if the Conservative government were returned to power there would be no unemployment insurance for fishermen. I found that this was an organized stratagem. I found that somebody, presumably from party headquarters, was going back to this statement in *Hansard* and quoting it as an authority, much in the manner of a dog going back to his vomit. This, Mr. Chairman, is contemptible. I have the highest regard for Canadian citizens and for parliament. I think that anyone or any party who cannot find a better reason than that for trying to persuade people to vote for them is rather barren of a forward looking program.

I have some few questions that I should like to ask the Minister of Finance, but I will dispense with them at the present time. I will refer to them on some later occasion. I do want to return to my original topic. If the Prime Minister actually wants this House of Commons to expedite business, then he should recognize the reasonable demands of the opposition; he should take some cognizance of the natural feelings of hon. members who served in the government and in the opposition during the last parliament. I suggest there are hon. members on the treasury benches who would be more acceptable in this particular role. I throw this suggestion out to the Prime Minister in all seriousness because, after all we could very easily, with aggravation, be tempted to revert to the position the official opposition took in the last parliament. We could spend seven days on a bill for one month's interim supply. I do not believe this sort of thing is good for the country. I do not believe it was good for the country then. I believe the trained observers in the press gallery will recognize this, although some newspapers across Canada have been saying that this is the magic time for parliament to reform. Parliament should not indulge in these tactics any longer. Although, for some mysterious reason, they were all right last year, they are not desirable this year. Now, the logic of that I cannot follow. If the misuse of the rules of parliament in a given way is not wrong for the country in one year, then it is not going to be wrong for the country in the next year.

I should like to point out to you, Mr. Chairman, that the one thing that is saving the country from this sort of situation in the House of Commons, where the desire of certain groups might be to delay and frustrate the progress of parliament, is the sense of responsibility of the present opposition.

Mr. Douglas: Mr. Chairman, I have no desire to hold up passage of interim supply but I do think the committee is entitled to some statement from the Minister of Justice regarding some of the matters raised by two of my colleagues, the hon. member for Winnipeg North and the hon. member for Nanaimo-Cowichan-The Islands, with reference to the activities of the intelligence and security branch of the R.C.M.P. We regret taking up the time of the committee on this matter, although we are quite within our rights in doing so. But I would point out that on the 17th of May, the day after the house opened, I put a question to the Minister of Justice asking him if, in view of the discussions that were held in the previous parliament, in view of the article which appeared in *Maclean's* magazine and in view of the very sweeping statements made by Commissioner Harvison of the R.C.M.P., he would facilitate the setting up of a special committee to look into the activities of the intelligence and security branch of the R.C.M.P. His argument as stated was very brief. He said:

> So far as I am concerned, I must tell my hon. friend that at this time I am not disposed to recommend to the house the establishment of such a committee to look into the functions of the branch to which he has referred.

The minister, who is not disposed to recommend the setting up of such a committee, certainly has a duty to come before this committee and before parliament and give some accounting to parliament of the activities of the intelligence and security branch of the R.C.M.P. No one quarrels with the statement made by the hon. member for Bow River who says that the R.C.M.P. is a very fine police force. Of course it is. The Royal Canadian Mounted Police have earned a reputation for efficiency and integrity of which every Canadian is proud.

There are times when, through no fault of their own, they have been used for strike-breaking and there are instances in our past history that no one wants to recall. But that is not the fault of the R.C.M.P., it is the fault of the civil authorities in the use they made of them. We are not quarrelling with the R.C.M.P. We are quarrelling with a branch that has been set up whose activities have in many instances been a threat to civil liberty in this country.

The hon. member for Bow River said that it is the duty of the police to search out communists in political organizations or any other kind of organizations, universities, schools or anywhere else. I am not sure that is a function of the police. The communist party is not an illegal organization in this country. I have spent most of my adult life fighting against the communist party and the communist ideology because I agree neither with their political viewpoint nor with their basic philosophy. But in this country there is no law barring people from preaching communism or belonging to the communist party any more than to any other political party. What the police have a responsibility for doing is to seek out those who are guilty of subversion, those who are conspiring to overthrow the government by the use of violence or force, those who are guilty of treason or those who are seeking to betray secrets that will threaten the security of this country. No one questions their right to do that.

What we are questioning is the investigation into organizations which are legitimate organizations and which are protesting, to the best of their understanding and knowledge, against certain public policies. When one sees investigations into the voice of women, into the campaign for nuclear disarmament, into the Canadian peace research institute, this surely is far beyond the responsibility of the R.C.M.P. In many of these instances the claim is that the police have acted rather indiscreetly, but still the practice goes on. I should like to deal with a few of the cases but—

Mr. Pickersgill: I wonder whether the hon. member for Burnaby-Coquitlam would permit me to interrupt him. It is almost five o'clock and we were rather hopeful that there might be a possibility of getting the resolution through. I would not ask to have the bill proceeded with. The hon. member for Winnipeg South Centre said something about last December. Last October the combined opposition in the house gave the government the eighth month of interim supply in one day without a single item of the main estimate having been passed. We gave them the ninth month with two days debate. It was not until the tenth month was asked for and it was quite apparent that the government was never going to bring the main estimates before the house that there was a prolonged debate. I say that just because—

Mr. Cameron (Nanaimo-Cowichan-The Islands): Mr. Chairman, on a point of order, I do not think the committee is interested in hearing the government and the opposition hurl accusations at one another. I would

suggest that the Secretary of State get on with what he was starting to say.

Mr. Pickersgill: I agree completely with the hon. member for Nanaimo-Cowichan-The Islands and I apologize to the leader of the N.D.P. for having been diverted by the interruption. I was going to say that I agree with him about the desirability of the Minister of Justice, who unfortunately was detained elsewhere and was not able to be here, to hear the speeches this afternoon, knowing what was said. But I am going to draw it to his attention and ask him if it would not be possible for him to make a statement on this matter on the bill. Under those circumstances I wonder whether there would be any possibility of having unanimous consent so that the committee could go on long enough to complete the resolution stage and have the bill introduced, which could then be taken up on Monday.

Mr. Barnett: Mr. Chairman, I know that the Secretary of State can be very persuasive, but I have had one or two experiences in the house of agreeing to co-operate in allowing resolutions to pass and then finding that I was unduly restricted in what I wanted to say when we came to the bill. I happen to have a couple of matters which should be of particular concern to the Secretary of State for External Affairs and the Minister of Fisheries with which I should like to deal, and I feel I can only do so properly at the resolution stage.

Mr. Pickersgill: What I was suggesting was that we go on with the resolution stage for the next hour or whatever part of it is required in order to complete it. I was not suggesting that we go off the resolution stage. This, of course, could only be done if there was unanimous consent.

The Deputy Chairman: Order. Does the committee give unanimous consent to continuing with the debate on the resolution?

Some hon. Members: No.

The Deputy Chairman: I do not hear unanimous consent. I therefore declare it to be five o'clock so that the house may proceed to the consideration of private members' business.

Progress reported.

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

BROADCASTING ACT

ISSUE OF LICENCES SUBJECT TO COMPLIANCE WITH BILL OF RIGHTS

Mr. H. W. Herridge (Kootenay West) moved the second reading of Bill No. C-4, to amend the Broadcasting Act (human rights abuses remedied).

He said: Mr. Speaker, in introducing this bill again I consider I am once more striking a blow for freedom. While members of this group have a definite economic philosophy of life and social philosophy of life, we believe in preserving the rights of the individual in every aspect and sphere of his activities. It is on that account I again introduce this bill.

I am not going to talk at length, because when speaking on the bill on March 16, 1962, I fully outlined the circumstances surrounding it, and anyone who is interested in the detailed history of the background of the bill will find what I have to say, recorded on page 1900 of *Hansard* for that date.

Now, Mr. Speaker, the first time I had occasion to raise this question in the house was on November 18, 1960. I did so as the result of a conversation I had held with the editor of a local weekly newspaper in my district, with respect to his being denied the right to advertise on the local radio station. Then I discussed the matter with other businessmen in the town of Nelson, and they were most indignant about what they considered this transgression of the bill of rights and the rights of the individual.

As a result of those discussions I agreed to discuss the matter with various legal gentlemen, and finally I discussed it with the learned counsel who advises members of parliament with respect to private bills and other matters. Furthermore, Mr. Speaker, I discussed this question with the chairman of the board of broadcast governors, with officials of the C.B.C. and with the minister of justice, who had the matter investigated and later informed me that he did not consider he would take any action on the legislation under which this type of complaint would be lodged.

Now, Mr. Speaker, the weekly newspaper editor in question had been advertising the date of the issue of his weekly paper, and giving some details as to the leading articles, and so forth, on station CKLN, which is licensed under the authority of the Broadcasting Act. Suddenly he was denied this right by the manager of the station, and I will just read the letter in question:

Mr. M. Carlton
490 Baker Street
Nelson, B.C.

Dear Mr. Carlton:

We seem to be on the horns of a dilemma these days, a dilemma which must be obvious to everyone. Now that your paper is establishing itself as a regular advertising media, seeking its business from the same customers as ourselves, it is not reasonable that we should be defeating ourselves by building up in any way the success of a business competitor. We therefore, are invoking section 7 of our contract. As of today's date we are serving you with ten days notice of cancellation of your advertising contract No. 726. I would further bring to your attention items 4 and 6 of the conditions of contract.

Yours sincerely,

A. R. Ramsden,
Manager

This weekly newspaper was obtaining advertising that in some cases might have gone to the local radio station, but it was obtaining a greater amount of advertising that would have gone to the Nelson *Daily News*, and they denied the editor of this weekly paper the right to advertise on this station because he was a competitor. I think those are very unsound grounds indeed, and so did many other business people in the community, and other persons. It is for that reason I enter this bill again this session.

I might explain the weekly newspaper has gone out of business. I might also explain it contained material I was not particularly interested in, and in many cases strongly disagreed with; but that is not my business. That is the business of the public, to refuse to buy something they do not appreciate; but it is my business to protest as a member of parliament, and particularly as a member of this group which never wishes to deny free speech or anything of that sort to anyone.

Now, Mr. Speaker, I want to quote briefly from the explanatory note in connection with the bill, because it is a rather unusual bill to meet unusual circumstances. I have introduced this bill to provide that a licence to a radio broadcasting station is conditional upon observation of the Canadian Bill of Rights. The explanatory notes read:

Both the English common law and the French civil law recognize the doctrine that the right of the businessman or industrialist to do business only with persons of his choice is subject to restrictions based on reasons of good morals or public order: such is the case where the state takes exclusive control of a commercial field and grants a special privilege or licence in that field to the businessman or industrialist to sell, under monopoly or quasi-monopoly, to the public; the licensee then assumes definite obligations, including the obligation to sell to anyone who is ready to pay the regular price.

Those are quotations from various decisions of the supreme court.

The Canadian parliament, for public convenience, interest and necessity, has by the Radio Act allowed the crown to grant monopolies by licence to individuals and corporations to operate broadcasting stations for private gain. Under the common law and civil law, therefore, such stations must sell advertising time without discrimination. In 1960, parliament confirmed this law by statute. Section 2 of the Canadian Bill of Rights applies to provide that the Radio Act and the Broadcasting Act shall not be so used as to violate the rights or freedoms of any citizen: e.g., freedom of speech or freedom of press. Presumably, the governor in council might make regulations to control such excesses or the Minister of Transport arbitrarily remedy violations by revocation or suspension of licence. However, for the semblance of impartiality, the seemly method is that parliament decree the means and manner of enforcement. This bill, therefore, so provides.

Clause 1: For clarity, and emphasis of notice to the licensee, this clause provides, generally, that a licence is conditional upon observance of the Canadian Bill of Rights; and, specifically, that there shall be no discrimination by a licensee in providing commercial services to competitor applicants—e.g., freedom of the press includes liberty of circulation and distribution, as well as publication—

—and liberty of circulation and distribution includes the right to compete for advertising space on a government-licensed advertising media —without discrimination because the applicant competes in the newspaper field with the broadcasting monopolist.

I think that is a very sound principle. I continue:

Subsection 6(a) (i) is an adaptation of provincial public utility anti-discrimination law. Subsection (6) (b) follows the procedure in section 3 of the Canadian Bill of Rights in appointing the Minister of Justice to be the deputy of parliament to determine whether a licensee has violated the Canadian Bill of Rights. Upon a violation, the Minister of Transport revokes the licence. The licensee has a right of appeal on any question of law to the exchequer court which may suspend the revocation until the appeal is determined.

Mr. Speaker, I have explained the reason for the introduction of the bill, the purpose of the bill. It is, that after lengthy discussions with persons well informed in the law it was decided that I should introduce this bill to amend the Broadcasting Act, the subtitle of which is "human rights abuses remedied." I want to say, in fairness, that I think this action on the part of the manager of the station was impulsive, because he is a very nice person; so is the editor of the local paper. I am quite sure they regret having taken this action at the time. The paper in question, the competitor, has now ceased to exist but the principle is still followed. It is to make certain that no one will be denied their rights in this way in the future that I introduce this bill and urge the support of hon. members of the house.

Now for the principle of the bill. If any hon. members believe they can suggest an improved bill or amendments to the bill which will make it more effective, I shall be only too pleased to listen. I think we are

on very sound ground in protecting the rights of the individual in this field by the introduction of this bill.

Mr. Ron Basford (Vancouver-Burrard): Mr. Speaker, in speaking to the bill introduced by the hon. member for Kootenay West (Mr. Herridge) I want to compliment him on his interest in this one individual who was running this paper which has now gone bankrupt. There is from time to time in this house a suggestion that we should have an ombudsman. I suggest that if members of parliament were doing their jobs we would not need an ombudsman, because where small people have been hurt by government or by regulation, members of parliament in doing their job can correct such injustices.

As the hon. member has said, and as the record in previous *Hansards* will show, the Kootenay *Graphic News,* which was located in his riding and was a small weekly paper, started up as a very vigorous little paper. This paper endeavoured to obtain and was obtaining advertising on radio station CKLN in Nelson. This station, as the record will show—this is for the benefit of new members—is owned by the News Publishing Co. Ltd., which also owns the Nelson *Daily News,* as the hon. member pointed out. These two news media, radio station CKLN and the Nelson *Daily News,* are in effect owned and managed by the same company and the same people. They disliked the thought of the competing newspaper, the Kootenay *Graphic News,* advertising on the air waves of their radio station and, as the hon. member pointed out, they cancelled his advertising contract. I had hoped that the advertising and the publicity the hon. member's actions would create on behalf of the Kootenay *Graphic News* would have meant that they would be doing better than if they had continued getting the radio advertising. I am very sorry to hear today that the paper has gone out of business. This is somewhat tragic. I thought that possibly the action of the hon. member in this house and in his constituency would have resulted in the paper doing even better.

In speaking to this bill, Mr. Speaker, I should like to point out three criticisms of it. I have first a general criticism, arising from remedies often suggested by hon. members of the party to which the hon. member belongs. They will see an injustice, a social ill, a wrong, and they will suggest a remedy, the remedy often being worse than the wrong. In certain respects this bill is in that class. I am sure the hon. member for Kootenay West feels he is making a fight on behalf of the little man fighting the big man, and I always admire anyone who is prepared to do this. I think that in protecting the rights of the little man against the big man we must be very careful that we are not depriving anyone of his proper rights, his due process of law, to which surely he is entitled whether he be a big man or a little man.

I should like to read to the house and put on the record section 6 (a) (i) of this bill:

—will not—

That is, the licensee, the person holding the licence from the government, the radio station:

—will not discriminate or delay, upon reasonable notice given, in furnishing suitable commercial service of the type furnished by the licensee, to any person who may apply therefor and be reasonably entitled thereto and to whom such service reasonably can be supplied by the licensee, for reason only that the person so applying carries on a business that competes with a business in which the licensee has an interest;

With regard to the last part of that clause, which reads, "for reason only that the person so applying carries on a business that competes with a business in which the licensee has an interest", the hon. member for Kootenay West is concerned about a newspaper which is endeavouring to advertise on a radio station. The wording of that clause would also apply to a radio station endeavouring to obtain advertising on a competing radio station. It would seem that under the wording of the bill the competing radio station would be entitled to demand advertising time on his competitor's station. I am not convinced that this would be a particularly healthy situation in the broadcasting business. I am not convinced that it would contribute at all to the health of our broadcasting industry. I am not convinced that it would contribute to the raising of the standards of radio broadcasting across the country.

I would agree with the hon. member that a newspaper, no matter by whom it is owned, should be entitled to advertise on a radio station, and similarly that a radio station should be entitled to advertise in a newspaper. But I am not convinced yet—and the hon. member for Kootenay West is going to have to convince me—that it would be healthy for the broadcasting industry, from the point of view of the public, to allow one radio station to advertise on another. But, more particularly, there is in this bill provision for the Minister of Justice to examine the situation and make a report to the Minister of Transport, and then the Minister of Transport has power to revoke the licence.

I suggest that unless the bill is a little more carefully worded than it is at present, we could have the situation where a competitive radio station in one district would apply for advertising on another station in that district, and if that were refused they could endeavour to have their competitor's licence revoked.

In my city we have at the moment a very competitive radio station and I would think that unless this bill is carefully re-worded, these radio stations, some of which at the moment are not doing too well, would use every effort to see that the licences of competitors were revoked, not to protect any human rights which had been taken away but simply in an effort to get competitors out of business. I think that is the real danger attaching to this bill and one which should be corrected by redrafting.

In the second place, and this is to me a very serious matter, I feel that the difficulty about solutions recommended by the New Democratic party is that they are so often worse than the problems they are trying to solve. In this bill there is no provision made for a licensee to appeal. Surely, the owner of a radio licence, whether he is big or small, should be entitled to notice, entitled to an appeal and entitled to a hearing. It is elementary justice that such a man should be entitled, before he loses his licence, to make representations to the Minister of Justice or to the Minister of Transport or whoever has power to revoke it. Surely he is entitled to receive notice that his licence may be revoked and to explain, if he wishes, why he took certain action, in the hope that his licence will not in fact be taken away. This is an elementary right which every Canadian should have. Here the only rights the licensee has are set out in subsection (6) (b), and really they provide no rights at all. It says:

> The Minister of Justice shall, upon any complaint thereof, ascertain whether a licensee has breached in any particular the condition set out in paragraph (a) and he shall report thereon to the Minister of Transport forthwith and to the House of Commons at the first convenient opportunity.

Nowhere in that procedure is a right given for the licensee who is in danger of losing his licence to be heard. I think that is the real flaw in this bill. Later in the measure it is provided that a licensee who has had his licence revoked may go to the exchequer court and have the matter inquired into. But surely it is not fair to give him rights only after he has lost his licence. Surely we should not put a licensee into a position where only after losing his licence can he resort to this procedure. If, for some reason, he was entitled to refuse advertising, surely we are not going to force him to hire lawyers and follow the complicated procedure of appearing before the exchequer court to have his case heard. It would be much better, I think all hon. members would agree, to allow him to make representations either to the Minister of Justice or to the Minister of Transport before the licence is lost.

A third matter concerns the way the bill is worded. It is my contention that there is far too much discretion given to the ministers involved. I have great confidence in the ministers of this government and I think we are entitled to have a good deal of confidence in the administrative ability of most ministers, but I think the house should be most careful regarding the discretionary powers it gives to ministers. There are some situations in which this is the only way to deal with some governmental or administrative problem, but I think members of parliament should always be on guard to see that these discretionary powers are kept to a minimum, and where such power is granted it should be spelled out very carefully and the area in which such discretion can be exercised should be clearly defined.

The present bill uses the words "the licensee...will not discriminate or delay, upon reasonable notice given—". Surely, it would not be difficult to spell out in the legislation what "reasonable notice" is, whether it be two days, or eight days, or eight weeks. Later on, the text uses the words "in furnishing suitable commercial service" and so on. I have no idea what "suitable commercial service" might be. Further on appears the phrase "to any person who may apply therefor and be reasonably entitled thereto". Surely it would be possible to establish by legislation who is entitled to advertise, because who is to be the judge of whether a man is reasonably entitled to advertise or not? I believe the bill should spell out the right of access to this radio time. Another phrase which occurs in the bill is "to whom such service reasonably can be supplied". This again, is a loose phrase which is bound to give rise to difficulty of interpretation.

All this creates a dangerous situation and one which we must watch, because in this clause we would be giving a minister the power to deprive someone of a licence—a licence which has probably cost him, or the shareholders in the enterprise, a great deal of money. Presumably, too, the station is supplying a service needed by the community to which it is broadcasting; if it is not doing so there are ways of remedying the situation. But we are giving the minister power to take this licence away under a loosely worded statute and we are creating a situation where it would be difficult to argue whether or not a minister had acted rightly in doing so, because of this same looseness of phraseology.

The hon. member for Kootenay West (Mr. Herridge) is to be complimented on the vigour with which he has raised this question and endeavoured to protect the rights of the owner

and editor of the Kootenay *Graphic News*, but in making one correction for the editor of that newspaper he is asking us in this particular piece of legislation to take away the rights of others by creating a situation where ministerial discretion could be exercised under the terms of a very loosely worded statute, and then by denying a licensee the right to appeal.

I assume this has not occurred to the hon. member, but his bill would also give rise to a situation which might create havoc in the radio business, inasmuch as it could lead to one radio station advertising on another. I know the hon. member is concerned with a newspaper advertising on a radio station, but I think the situation I have mentioned is one we should bear in mind. As I said at the outset, I believe that a newspaper should certainly have the right to advertise on radio, if it has not already. It would seem to me that to refuse this right of advertising is an action in restraint of trade and should be so declared.

I would think that the hon. member's correct course of action, rather than try to change the Broadcasting Act which deals only with radio, is to endeavour to change the Combines Investigation Act to provide that newspapers can advertise on the radio and that radio stations can advertise in newspapers, regardless of who the owners might be and whether or not they are the same, so that they may advertise in either media.

Mr. J. J. Greene (Renfrew South): Mr. Speaker, I should like to support my hon. friend, the last speaker, in his view that while there may appear to be some individual wrongs to be righted, rather than a collective wrong, the bill in its essence is really determining private rights between two individuals, either corporate or sole. There is very little here of a public nature. It is an attempt, which possibly our friends in the New Democratic party lean to—we all have our faults and this is possibly their fault—to try to interfere with the course of conduct of human beings; to try to over-regulate, to over-legislate, and to determine how everyone shall act at any given moment. This is probably the great danger of socialism in all its aspects and thinking—that there will be over-regulation and a concomitant loss of individual freedoms. Here we are dealing essentially with a business relationship between two parties.

Mr. Speaker, our friends in the New Democratic party love to put themselves up as the champions of the little man and as defenders of the little man. I think it can be said that we on this side have found there are no little men but that all Canadian citizens are big men of equal stature; that their rights must be determined by law and that there is not one set of laws or regulations for the little man and another for the big. Every individual is capable of doing some things in a better fashion than others, but the Almighty in some way evens things up and enables us all to do something well. In my humble circumstances my wife is a lot better carpenter than I, and this is one instance of how these things even up. When work is to be done on our storm windows or our kitchen cupboards she does it, because I am not very good with my hands. That is why I say that there are no little men or big men, that each of us can do something better than others, no matter how humble the circumstances. I suggest that the importance of legislation is not to distinguish or to take sides between the little man and the big man, but to make sure that all are equal before the law and that equal justice is done, irrespective of whether we think people are little or big.

This bill tries to do two things, I suggest. When we read the explanatory notes of the bill we find an attempt to interfere in private lives of individual citizens either corporate or sole. It concerns a business matter. In order to try to present this individual business problem which exists between two of his constituents, my hon. friend from Kootenay West (Mr. Herridge), in his attempt to right what he feels is an economic wrong—I do not question his motives; I know he is trying to right what he feels is a wrong and is trying hard to draw the bill in such a way as to make it a popular one—has dressed the bill in the very lofty garb of the bill of rights. I suggest, with respect, that if we take a lady of the street and dress her in a Schiaparelli gown, the Schiaparelli gown does not change in any way what is inside the dress. In order to dress this economic problem between two constituents in an attractive garb, the hon. member has brought in the bill of rights. I fail to see, with respect, what the bill of rights has to do with this question in any way, shape or form. For some reason or other the hon. member for Kootenay West, in his explanatory notes, cites the bill of rights of William and Mary, 1688. Whether he does not recognize the more recent bill of rights propounded by the Leader of the Opposition (Mr. Diefenbaker) I do not know. He appears to go back 300 years rather than accept anything which was conceived or concocted by the Leader of the Opposition, and in this he might get considerable support from this side of the house.

In the bill of rights as presently constituted in the 1960 Statutes of Canada, it is quite conceivable that this situation in its loftier aspects is already covered. I do not think there is any hon. member of this house who would oppose any bill which was conceived on the premise that there should be no discrimination in the use of a public licence when it came to race, religion, colour, or such essential freedoms inherent in the bill of rights. But this other economic aspect is a fish of a different fry. I suggest the question of discrimination on proper grounds, such as race, colour or creed, is already dealt with in the bill of rights. I quote from section 2 of the bill of rights:

> Every law of Canada shall, unless it is expressly declared by an act of the parliament of Canada that it shall operate notwithstanding the Canadian Bill of Rights be so construed and applied as not to abrogate, abridge or infringe or to authorize the abrogation, abridgment or infringement of any of the rights or freedoms herein recognized and declared, and in particular, no law of Canada shall be construed or applied so as to
> (a) authorize or effect the arbitrary detention—

et cetera. I will not take up the time of the house by reading the whole section.

Mr. Speaker, I now refer to the definition section in Part II. Section 5(2) says:

> The expression "law of Canada" in Part I means an act of the parliament of Canada enacted before or after the coming into force of this act, any order, rule or regulation thereunder, and any law in force in Canada or in any part of Canada at the commencement of this act that is subject to be repealed, abolished or altered by the parliament of Canada.

Mr. Speaker, I suggest that from reading sections 2 and 5 of the bill of rights together, a licence granted under the statute passed by this house, or a regulation under such statute, is clearly within the bill of rights; so that if, shall we say, someone was refused radio time on the ground that he was a coloured person, or on the ground of his religion not meeting with the approval of the owner of the radio station, the proper legal proceedings could be taken by mandamus, certiorari, prohibition, or under a petition of right to force that owner to grant permission for the use of radio time, under the bill of rights as it now exists. No legislation whatever is needed; we already have it. We have the appropriate remedy to enforce those rights that are given to a person under the bill of rights. With the greatest respect therefore, Mr. Speaker, I submit that the application of the bill of rights to this particular economic problem is just window dressing and has no applicability to the real wrong the hon. member seeks to remedy. It is purely an economic wrong.

Having cleared the air of some of the window dressing concerning the bill of rights, Mr. Speaker, we approach the question of the right of a newspaper to advertise on a radio station owned by a rival newspaper. This is really the essence of this bill. I concur most wholeheartedly with the hon. member for Kootenay West in his indignation that any licensee should be able to hold a licence to protect his own position and deny other persons the use of a station which is held under a licence from the people of Canada. I may say that, along with the hon. member who spoke before me, some of the provisions of the bill itself disturb me somewhat. Generally speaking the authority in the bill, without taking the time of the house to actually read the clauses, is that any person will be permitted to use the station who may be reasonably entitled so to do. Alternatively, the licence may be arbitrarily cancelled by the Minister of Justice.

I believe the key words of this bill, and I am sure that this is not the intention of the hon. member, are those words, "who may be reasonably entitled thereto". Who decides whether or not he is reasonably entitled to use the station? Actually, it is the Minister of Justice (Mr. Chevrier) who has the discretion to cancel the licence. He has to determine whether or not this person who is seeking cancellation of the licence was reasonably entitled to use the station. These are very arbitrary words, Mr. Speaker. I should like to refer you briefly to the judicial interpretation of this wide discretion contained in the word, "reasonable", to demonstrate to this house that this could give the Minister of Justice unfettered, unlimited, arbitrary and absolute powers over all licensees.

While we know that at the present time this power would not be abused, there might be other individuals at some future date who would abuse such a power. I do not believe this house ever should grant such arbitrary powers to any individual as my hon. friend seeks to do in this bill. On that score, I would refer hon. members to Stroud's judicial dictionary, third edition, at page 2462, where various judicial interpretations of the word, "reasonable" are given. This will indicate the very broad powers which the use of this word would give.

> The word "reasonable" has in law the prima facie meaning of "reasonable" in regard to those circumstances of which the actor called on to act reasonably knows or ought to know. However, it would be unreasonable—

This is really the meat of the situation.

> —to expect an exact definition of the word reasonable. Reason varies in its conclusions according to the idiosyncracies of the individual—

Again, it is conceivable that we would have a minister of justice in the future whose

idiosyncracies were peculiar; that has happened in the past and it could occur again.

—and the times and circumstances in which he thinks. The reason of other days, with classic logic, sounds now like the jingling of a child's toy. Mankind must be satisfied with the reasonableness within reach, and in a case not covered by authority the verdict of the jury usually determines what is reasonable in each particular case?

In other words, according to the bill the Minister of Justice would, in each case, determine what is reasonable. I think I can cite to my hon. friend the leading authority on the interpretation of this word "reasonable" which I think will shock him to the point where he would be loath to give any one this type of authority. The leading case on the interpretation of the word "reasonable" is the case of Liveridge *v.* Sir John Anderson, reported in appeal cases, 1942. It is a house of lords decision. Perhaps I should outline to this house very briefly the facts in this case. There was a wartime regulation under which the home secretary could incarcerate someone if he had reasonable grounds to do so. The gist of this case is that the home secretary imprisoned someone and kept him incarcerated for some time. No court, no judicial body, could go behind his actions to see whether or not they were well founded. As long as the home secretary deemed the grounds to be reasonable that was all that mattered.

Well, this bill attempts to give some *ex post facto* right of appeal. You can appeal after your licence has been cancelled. I think my hon. friend dealt with that aspect of it. However, you could not go behind this decision of the Minister of Justice. If he deemed the grounds reasonable, that would be the end of it. He would have the arbitrary power to withdraw the licence. I suggest, Mr. Speaker, that this points out the grave danger of trying to legislate perfection into human beings. I think the strength of the party on this side of the house is that we do not expect human beings to be perfect. We do not expect everything to be perfect in this most perfect of all possible worlds. We try to leave as much freedom to the individual as we can to determine his own destiny. At the same time we try, by our legislation, to guarantee that the game will be a fair one and that one person, group or even the government itself, shall not have a great advantage over the individual citizen. When we try to legislate morals and propriety into every aspect of human behaviour, every little corner of business, sometimes we create a wrong that is far greater than the situation we are trying to correct. In this case I suggest that by granting this kind of power to any individual, which could be abused and could create great wrong economically and otherwise if abused, the wrong we would create would be greater than the good we would do in remedying this individual situation. I think that my friend's desire to remedy this wrong can be met otherwise than by creating this new, pervasive and greater wrong that we would be doing if we gave this kind of power to any minister.

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I just want to say one or two things about the bill and in opening I should like to say to the hon. member who introduced the bill that it is indeed an unfortunate situation that prompted him to do so. On the other hand, I think a word or two should be said about the point that this is not something that is happening to any great extent across Canada. As a matter of fact, I have been told that this is the only case that has been drawn to the attention of the Department of Justice where such a serious violation of what we all consider to be rights has taken place.

I simply want to point out that most of the radio and television stations and other commercial advertising forms with which I have had to deal from time to time have leaned over backwards to try to be fair to all of their advertising accounts. They do this primarily, of course, for the sake of their own public relations, I am sure, and with a view to keeping all of their accounts happy in the future.

In this case I know that the situation was different because the person concerned was dealing with one of his competitors. The hon. member has raised a problem, but I can see some serious weaknesses in the bill from the point of view of actually effecting a solution of it. As has been pointed out by the previous speaker, there is the matter of the words "reasonably entitled" and the interpretation that is going to be placed on them. I know, for example, that a person may be reasonably entitled to something, but then the next matter that may come up is how much is he reasonably entitled to.

If the provisions of this bill were applied and the radio station accepted a very limited amount of advertising at an hour that was inappropriate or not conducive to having a reasonably large audience, the radio station could in fact comply with the regulations anticipated in the bill while at the same time almost denying the account the effectiveness desired from the advertising.

I simply want to say I do not believe this is a common practice. It certainly is not in those areas where I have had contact with radio stations. As the previous speaker pointed out, by passing this legislation we would be imposing more regulations to deal with an isolated problem even though it is a

serious one to the man involved and I do not think we should do so until we find that there are a greater number of violations of human rights. I am sympathetic with regard to the situation which has been raised by the hon. member who introduced the bill. At the same time, since it is not a common thing maybe we should have another look at it.

Mr. John R. Matheson (Leeds): Mr. Speaker, when this bill came up in an earlier parliament on March 16, 1962, the then member for Lapointe, Mr. Brassard, said, as found on page 1906 of *Hansard*:

> I believe all hon. members are aware of the sense of justice and social sense which characterize the hon. member for Kootenay West, and I am not surprised to hear him take up the defence of anyone who seems to be victimized.

We are not talking out this measure for the sake of talking it out. In spite of the fact that on the facts it would appear that a licensee granted a licence from a federal authority appears to be limiting the service of that right, we earnestly think that there are certain real weaknesses in the bill which we would ask the good member for Kootenay West to consider.

In the first place, the bill by its terms purports to wipe out a vested right granted by licence by means of the exercise of ministerial discretion without a hearing. Under the terms of the bill no hearing is provided as to the facts. As we go on we find there is provision for an appeal to the exchequer court, not as to the facts but on a question of law alone. That means that there is a limited type of appeal. It means that the facts of the case will never have been heard adequately from the standpoint of the licensee.

When we consider the number of limiting and inhibiting factors at the present time which tend to constrict the kind of broadcasting that there is in Canada, we realize that this measure would create a very difficult situation for people in this particular media. On the face of the matter it appears as though there has been an injustice done in this one riding in Canada. I too have tried to make a careful examination of how frequently such a thing has occurred and I am assured by the B.B.G. that this is the only case in all Canada.

The active member for Kootenay West, who so valiantly champions his riding and has done so on many occasions, brought this matter to the attention of the House of Commons on November 18, 1960, by way of a question which was answered by the then minister of national revenue. Then he went on to explore the various possibilities in order to see whether there was any chance of obtaining any assistance in this particular case under the combines legislation. I think he found it was impossible. When we consider that a broadcaster is being asked under this bill to accept material of his competitor that would in fact worsen his business position, we have to ask the member to consider that what the bill really means is that the C.B.C. could be compelled to advertise programs of the private broadcasters. Do we really want to go that far? Is this what the bill means? We appreciate that there are limitations on private rights, and there must be. The analogy that the distinguished member for Kootenay West—

The Acting Speaker (Mr. Batten): Order. It being six o'clock I have to advise the house that the hour for the consideration of private members' business has expired.

BUSINESS OF THE HOUSE

Mr. Churchill: I wonder whether the house leader would indicate to a very co-operative house what the business is for next week?

Mr. Pickersgill: Nothing would give me greater pleasure than to be able to take at its face value, which of course I do, the suggestion of the hon. gentleman opposite that the house will be co-operative next week. It is in that spirit that I express the hope that we will be able to deal with interim supply with almost as much dispatch as it was dealt with in late September or early October of last year. As soon as that is completed, of course, we will go on with the debate on the committee on defence, and I would also express the hope that that might be disposed of on Monday. After that we will go ahead with the resolution to precede the bill respecting the economic council.

We also hope next week to take the bill respecting the department of industry, the bill respecting the Department of Agriculture and the resolutions preceding them and, if it can be arranged, the resolution and the bill respecting the municipal development and loan board. I wish I could indicate clearly the order in which those measures will be taken but one or two of my colleagues have made certain commitments which force them to be out of Ottawa on public business on one or two days next week, and I regretfully have to admit that this will have to be arranged as the week goes on, but I hope to give as much notice as possible of the order in which these last three measures will be taken. The first three items, barring an act of God, will be interim supply until completed, then the defence committee until it is completed, the resolution stage of the economic council, and we hope to take the bill next day after the resolution.

Mr. Nowlan: You would take the bill on that before the next resolution?

Mr. Pickersgill: That would depend on the time of day. If we finish the economic council resolution in the middle of the day we cannot take the bill immediately afterwards, under the rules, and we would not ask to have them waived because hon. members should have a chance to read the bill. If the economic council resolution stage finished in the middle of the day, then we would take one of the other resolutions that day, and come back later to the bill. It is a little complicated, but I hope all hon. members understand these matters.

It being four minutes after six o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Monday, June 3, 1963

The house met at 2.30 p.m.

COMBINES INVESTIGATION ACT

AMENDMENTS RESPECTING PENALTIES FOR VIOLATION, ETC.

Mr. David Orlikow (Winnipeg North) moved for leave to introduce Bill No. C-68, to amend the Combines Investigation Act (floor penalties, criminal joint tortfeasors, and moieties.)

An hon. Member: Explain.

Mr. Orlikow: The purpose of this bill is to strengthen the penalties for crimes that are committed in violation of the laws against combines and monopolies. The present laws provide for either fines or jail sentences, but in 75 years, to my knowledge, the courts have never used the provision of the act which permits jail sentences.

In the bill I propose the act will be amended so that for a second offence a jail sentence of one year will be mandatory. The bill also provides that the officers of a company guilty of an infraction of the act, the directors of the company, are held to be responsible for the offence. It also provides for the suing for damages of a company which violates the provisions of antitrust legislation.

Motion agreed to and bill read the first time.

CANADIAN NATIONAL RAILWAYS

PROVISION FOR CAPITAL EXPENDITURES, ISSUE OF SECURITIES, ETC.

Hon. Walter L. Gordon (Minister of Finance) moved that the house go into committee to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to bring in a measure to authorize the Canadian National Railway Company to make capital expenditures and to supply the financial requirements of Trans-Canada Air Lines and other affiliated companies (i) in the year 1962, not exceeding $156,500,000 and (ii) in the year 1963, not exceeding $157,000,000, and to make certain capital expenditures and enter into certain contracts prior to July 1, 1964; to provide for the financial requirements of Trans-Canada Air Lines in an amount not exceeding $31,800,000 either by means of loans from Her Majesty to the national company or by means of issues of securities of the national company, authorized and guaranteed as to interest and principal by Her Majesty, the cash proceeds by either method to be used only for the financial requirements of Trans-Canada Air Lines, the capital needs of the national company itself being met entirely through the sale of preferred stock to Her Majesty and from reserves for depreciation and debt discount; to authorize Her Majesty to purchase until December 31, 1964, Canadian National Railway Company 4 per cent preferred stock in an annual amount not exceeding 3 per cent of the gross revenues of the company; to extend until December 31, 1964, the moratorium on interest on the loan of $100,000,000 to the company authorized by the Canadian National Railways Capital Revision Act of 1952; to authorize Her Majesty to make loans to the Canadian National Railway Company and Trans-Canada Air Lines to meet deficiencies in operating revenues to June 30, 1964, any such loans to be repaid from revenues of the Railway Company and Trans-Canada Air Lines or, if revenues prove insufficient, by subsequent deficit appropriation by parliament; and to raise the limit on the Canadian National Railway Company's authority to refund matured, maturing and callable securities from the present level of $230,000,000 to $480,000,000.

Motion agreed to.

HOUSE OF COMMONS

ESTABLISHMENT OF SPECIAL COMMITTEE ON PROCEDURE

On the order: Government notices of motion:

That a select committee be appointed to consider with Mr. Speaker the procedures and organization of this house, for the purpose of suggesting any changes that would assure the more expeditious dispatch of public business and would strengthen parliament and make it more effective; that the committee have power to send for persons and papers; that it report from time to time its findings and recommendations to the house; and that it consist, in addition to Mr. Speaker, of 14 members to be designated at a later date.

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

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

STRONTIUM 90 LEVEL IN MILK

Question No. 1—**Mr. Fairweather:**

1. Is testing carried out of strontium 90 dosage in milk or milk products from dairies in the area of Sussex, New Brunswick and, if so, what is the latest report of level of strontium 90 found from such milk?

2. Is it correct that milk consumed in the Sussex, New Brunswick area contains one hundred times more strontium 90 than does milk consumed in the Ottawa area and, if so, does this level exceed minimum acceptable limit?

Questions

3. Are plans being made to increase funds for research into the hazard to health inherent in fall-out?

Mr. Haidasz: 1. Strontium 90 measurements were made in milk powder samples collected in the Sussex area up to and including December 1962. The level observed in December was 59.8 micromicrocuries strontium 90 per gram of calcium; the 6 month average from July to December was 48.1. Beginning in January of this year the milk powder sampling program was replaced with a fluid milk sampling program. Samples are now collected from Fredericton, New Brunswick and the most recent result, for March for Fredericton, is 22.2 micromicrocuries per gram of calcium; the 3 month average, January to March, was 25.7.

2. No. The figures for Ottawa comparable to those given in answer 1. above are: for December 22.0; for the 6 month period, July to December 1962 an average of 16.0; for March 1963, 10.7; for the 3 month period, January to March, an average of 12.4. While the values for Sussex and Fredericton are higher than those for Ottawa they are still considered to be within acceptable limits.

3. Since the inception of the radioactive fall-out study program in 1955, the Department of National Health and Welfare has steadily expanded the program by enlarging the area of coverage and including additional samples and analyses as staff, equipment and need developed.

From an initial small network of milk sampling points, the program has expanded until it now includes measurements of fall-out in daily air filter samples and monthly precipitation samples from 24 meteorological observing stations, measurement of strontium 90 in annual soil samples from 23 sites and in annual wheat samples from the nine principal wheat growing areas of Canada, measurement of strontium 89, strontium 90, cesium 137 and iodine 131 in fluid milk samples collected 3 times a week from 16 cities across Canada, and measurement of strontium 90 in human bone samples provided by pathologists from various hospitals in Canada.

In addition special equipment for measuring cesium 137 directly in humans is undergoing initial testing. A new departmental laboratory is under construction in Ottawa and the establishment of the radiation protection division is being increased to meet the demands of this comprehensive program. Estimates for the current year provide for new equipment which will be used in these studies.

[Mr. Fairweather.]

OPERATION OF LOCKS IN RIDEAU CANAL SYSTEM

Question No. 2—**Mr. Fairweather:**

Will the Minister of Public Works arrange to have the locks at the La Salle causeway in the Rideau canal system opened each half hour instead of on an hourly basis as at present?

Mr. Badanai: There is no lock in the La Salle causeway. However, there is a lift bridge which is opened on an hourly basis. A review of this operation is now under way.

C.N.R. PENSIONS

Question No. 4—**Mr. Knowles:**

1. How many retired employees of the Canadian National Railways are in receipt of pensions of less than $25 per month?

2. How many are in receipt of a pension of $25 per month?

3. How many are in receipt of pensions of (a) $25.01 to $29.99 per month (b) $30.00 to $39.99 per month (c) $40 to $49.99 per month (d) $50 to $59.99 per month (e) $60 to $69.99 per month (f) $70 to $79.99 per month (g) $80 to $89.99 per month (h) $90 to $99.99 per month (i) $100 to $124.99 per month (j) $125 to $149.99 per month (k) $150 to $199.99 per month (l) $200 per month and over?

Mr. Cantin: The management of Canadian National Railways advise as follows:—

1. 377
2. 2,559
3.

Amount of pension:	Number:
$ 25.01 to $ 29.99	982
30.00 to 39.99	1,795
40.00 to 49.99	1,435
50.00 to 59.99	1,075
60.00 to 69.99	998
70.00 to 79.99	1,013
80.00 to 89.99	1,055
90.00 to 99.99	1,068
100.00 to 124.99	2,733
125.00 to 149.99	2,365
150.00 to 199.99	3,180
200.00 and over..	3,198

In a number of cases the amounts of pensions paid by Canadian National Railways do not represent the total pensions payable to employees for railway service. Pensions payable by the C.N.R. to international employees (service in both Canada and the United States) relate to their service in Canada only. Such employees also receive annuities payable under the U.S. railroad retirement act or the social security act for service performed in the United States. For example, in the group receiving pensions of under $25 from the C.N.R., there are over 65 former international employees who also receive U.S. railroad retirement or social security annuities in respect of C.N.R. service rendered in the United States. The balance of this group consists of employees who elected early retirement (before age 65) with reduced basic

($25) pensions, and employees who had very short service and small contributions.

CIVIL SERVICE PENSIONS

Question No. 5—**Mr. Knowles:**

1. How many retired civil servants are receiving pensions of amounts within each of the following brackets: (a) less than $20 per month (b) $20 to $29.99 per month (c) $30 to $39.99 per month (d) $40 to $49.99 per month (e) $50 to $59.99 per month (f) $60 to $69.99 per month (g) $70 to $79.99 per month (h) $80 to $89.99 per month (i) $90 to $99.99 per month (j) $100 to $149.99 per month (k) $150 to $199.99 per month (l) $200 to $249.99 per month (m) $250 to $299.99 per month (n) $300 per month and over?

2. How many widows of retired civil servants are receiving pensions of amounts within each of the brackets indicated in the above question?

3. What is the number of retired federal civil servants and also the number of widows of retired federal civil servants presently residing in each province?

Mr. Benson: 1 and 2. Number of retired civil servants and widows receiving superannuation allowances of amounts within each of the following brackets:

per month	Retired civil servants	Widows
(a) less than $ 20.00	465	1,496
(b) $ 20.00 to $ 29.99	1,205	1,583
(c) $ 30.00 to $ 39.99	1,649	1,521
(d) $ 40.00 to $ 49.99	1,557	1,304
(e) $ 50.00 to $ 59.99	1,469	1,195
(f) $ 60.00 to $ 69.99	1,347	1,045
(g) $ 70.00 to $ 79.99	1,248	976
(h) $ 80.00 to $ 89.99	1,209	643
(i) $ 90.00 to $ 99.99	1,135	503
(j) $100.00 to $149.99	5,124	1,270
(k) $150.00 to $199.99	3,511	267
(l) $200.00 to $249.99	2,251	78
(m) $250.00 to $299.99	1,112	24
(n) $300.00 or over	1,381	16
	24,663	11,921

3. Number of retired civil servants and widows residing in each province:

	Retired civil servants	Widows
Newfoundland	249	93
Prince Edward Island	139	73
Nova Scotia	1,075	568
New Brunswick	683	381
Quebec	4,277	2,193
Ontario	10,850	5,303
Manitoba	1,248	508
Saskatchewan	794	312
Alberta	1,287	537
British Columbia	3,487	1,679
Territories	24	3
Outside Canada	550	271
	24,663	11,921

COST OF C.B.C. TELEVISION SERVICE

Question No. 6—**Mr. Mather:**

What was the approximate per diem, per capita, tax cost in Canada for C.B.C. T.V. service during 1961 and 1962?

Mr. Pickersgill: I am informed by the Canadian Broadcasting Corporation that based on operating grants plus depreciation and on population figures supplied by the dominion bureau of statistics the per diem, per capita tax cost of C.B.C. television was less than one cent in each of the two years. It was 82/100 of one cent in 1961-62, and 84/100 of one cent in 1962-63.

INCOME TAX COLLECTED IN BRITISH COLUMBIA

Question No. 7—**Mr. Mather:**

1. What was the amount of individual income tax collected by the federal government for the year 1961 in the province of British Columbia?

2. What was the amount of corporation income tax collected by the federal government for the year 1961 in the province of British Columbia?

Mr. Garland: 1. The amount of individual income (and old age security) tax collected by the federal government in the province of British Columbia was as follows: Fiscal year 1961-62, $209,310,175; fiscal year 1960-61, $197,567,154.

2. The amount of corporation income (and old age security) tax collected by the federal government in the province of British Columbia was as follows: Fiscal year 1961-62, $113,026,047; fiscal year 1960-61, $117,744,172.

Tax collection figures for both fiscal years 1961-62 and 1960-61 are given in reply since the year 1961 referred to in the question does not correspond to a single fiscal period.

P.F.R.A. EXPENDITURES

Question No. 8—**Mr. Mather:**

What is the total amount spent under terms of the Prairie Farm Rehabilitation Act in each of the provinces of Manitoba, Saskatchewan, Alberta and British Columbia from 1935 to December 1962?

Mr. Beer: Total expenditures, by provinces, under the Prairie Farm Rehabilitation Act from 1935 to December 1962, are as follows: Manitoba, $18,139,878; Saskatchewan, $134,009,082; Alberta, $76,254,439; British Columbia, $3,599,525.

DEDUCTION OF FUNERAL EXPENSES FROM INCOME TAX

Question No. 9—**Mr. Mather:**

Has the government given consideration to making funeral expenses deductible from survivors' income tax?

Mr. Benson: Requests for deductions for income tax purposes are considered during the preparation of the annual budget and decisions are made known when the budget is presented.

Questions

U.S.-CANADA EMIGRATION AND IMMIGRATION

Question No. 10—**Mr. Mather:**

1. How many persons left Canada in 1962 to take up permanent residence in the United States?
2. How many persons left the United States in 1962 to take up permanent residence in Canada?

Mr. Dupuis: 1. Total immigrant aliens admitted to the United States, whose country of last permanent residence was Canada, for the period July 1, 1961 to June 30, 1962: 44,272. Source: United States department of justice, immigration and naturalization service.

2. The number of persons recorded in 1962 as immigrants coming from the United States is 11,643. This figure does not represent all those former residents of the United States who took up permanent residence in Canada during the year as an unknown number were Canadian citizens and previous legal residents of Canada who were not recorded on their return.

PSYCHIATRIC TREATMENT OF PENITENTIARY INMATES

Question No. 13—**Mr. Orlikow:**

1. Of the inmates in Canadian penitentiaries who received psychiatric treatment in 1962, how many saw the psychiatrist and/or psychologist only once, twice, three times, more than three times?
2. How long were the interviews in each case?

Mr. Macdonald: 1. The following numbers of inmates received psychiatric treatment in 1962:

Only once:	697
Twice:	312
Three times:	180
More than three times:	184
Total:	1,373

The following numbers of inmates who received psychiatric treatment in 1962 saw the psychologist:

Once:	491
Twice:	128
Three times:	83
More than three times:	93
Total:	795

2. The length of the interview varies according to each case, but the average is from 1 to 1½ hours, although some interviews have taken as long as two hours.

N.B. The report from St. Vincent de Paul penitentiary is incomplete because of loss of documents by fire.

[Mr. Benson.]

PSYCHIATRISTS IN FEDERAL PENITENTIARIES

Question No. 14—**Mr. Orlikow:**

1. Of the eight psychiatrists for the 25 federal penitentiaries, how many are employed on a full time basis?
2. Of the eight psychiatrists, how many were practicing in psychiatry, as distinct from purely administrative duties, prior to their penitentiary service?
3. What is the age range of the eight psychiatrists?
4. Of the eight psychiatrists, how many were retired from other positions prior to their assumption of penitentiary duties?

Mr. Chevrier:

1. None.
2. Six were purely in the practice of psychiatry; two had done both.
3. 76-70-60-47-43-38-37-36.
4. Two.

PSYCHIATRISTS AND PSYCHOLOGISTS IN FEDERAL PENITENTIARIES

Question No. 15—**Mr. Orlikow:**

1. How many psychiatrists and psychologists were employed by the penitentiaries in 1952, 1957, and 1962?
2. How many resigned in the last two years in each institution?
3. How many psychiatrists and psychologists are called for in the penitentiaries establishment, and how many of these positions are actually vacant?

Mr. Chevrier:

	Psychiatrists	Psychologists
1.		
April 1952:	2	1
April 1957:	4	5
April 1962:	6	10
2.		
Kingston:	–	2
St. Vincent de Paul:	1	3
Dorchester:	–	1
British Columbia:	–	1
Saskatchewan:	1	–
Total:	2	7
3.		
Establishment:	8	19
Vacant positions:	2	9

*COMPANIES BRANCH DIRECTOR, SECRETARY OF STATE DEPARTMENT

Question No. 16—**Mr. Fisher:**

1. When did the present director of the companies branch in the Department of the Secretary of State join the federal service?
2. What was his initial salary?
3. What were his educational and experience qualifications?
4. What is his present salary?
5. When was he made director of the companies branch?
6. Did this appointment follow a competition; if so, what was the number of the competition, and how many other applicants were considered to the interview stage?
7. How many competitions has the present director of the companies branch taken part in his years in the service prior to promotion?

Mr. Pickersgill: Mr. Speaker, the answers to this question are as follows:

1. (a) First, on December 15, 1943, with the wartime prices and trade board, where he remained until 1951; and (b) on April 26, 1954 to the present, in the companies branch of the secretary of state department.

2. (a) $2160 per annum, including bonuses; and (b) when appointed to the secretary of state department he initially received $4620 per annum.

3. B.A. Laval, 1939; LL.L Laval, 1947; Admitted to the bar, province of Quebec, 1947. Diploma of superior studies of law, *cum laude*, Ottawa university, 1958; Q.C., 1962. 1940-1943 Canadian army, captain; 1943-1951 wartime prices and trade board—clerk, legal adviser, regional legal adviser; 1951-1954 private law practice; 1954 to present—secretary of state department.

4. $15,800.

5. On an acting basis in September 1959, and on a continuing basis on May 17, 1963.

6. In August 1959 the secretary of state department asked the civil service commission to fill the position of director of the companies branch left vacant by the promotion of Mr. A. Alex. Cattanach to the position of assistant under secretary of state. The commission then proceeded to advertise an interdepartmental promotion competition under number 59-P-ID-121. A total of 11 candidates applied in the competition of whom seven were interviewed by an examining board established by the commission. The examining board came to the conclusion that, of all the candidates, the present director of the companies branch was the best qualified for the advertised position. However, before the competition could be completed, the department informed the commission that it did not wish to fill the position at that time and requested that acting pay be authorized for the person discharging the functions of the position.

7. Fourteen competitions.

(Translation):

AIRPORT CONSTRUCTION, VAL D'OR AND ROUYN, QUE.

Question No. 17—**Mr. Caouette:**

Have negotiations been entered into between the government and the towns of Val d'Or and Rouyn for the construction of two airports?

Mr. Cantin: Negotiations were entered into between the government and the town of Val d'Or and the city of Rouyn shortly after world war II, whereby the government would provide financial assistance to the municipalities for the development of airports. These negotiations culminated in agreements dated October 14 and October 4, 1949, with the town of Val d'Or and the city of Rouyn, respectively, whereby financial assistance was granted for this purpose.

(Text):

GOLD MINING ASSISTANCE, VILLENEUVE COUNTY, QUE.

Question No. 18—**Mr. Caouette:**

1. What is the amount of the financial assistance granted to each of the gold mines in the county of Villeneuve for the last fiscal year?

2. What profits have been declared by each of these mining companies for the last or the current year?

Mr. Benidickson: 1. The amount payable for the calendar year 1962 to each gold mine located in the county of Villeneuve which was eligible for assistance under the Emergency Gold Mining Assistance Act is as follows:

	$
(1) Akasaba Gold Mines Ltd.	125,367
(2) Barnat Mines Ltd.	171,368
(3) Bevcon Mines Ltd.	254,979
(4) Canadian Malartic Gold Mines Ltd.	310,126
(5) East Malartic Mines Ltd.	827,226
(6) Elder Peel Ltd.	121,398
(7) Eldrich Mines Ltd.	131,578
(8) Lamaque Mining Co. Ltd.	290,469
(9) Malartic Gold Fields Ltd.	114,743
(10) Marban Gold Mines Ltd.	127,627
(11) Norlartic Mines Ltd.	206,643
(12) Sigma Mines (Quebec) Ltd.	465,218
(13) Sullivan Consolidated Mines Ltd.	404,405

2. The profits declared by each of these mining companies are not officially published by the government of Canada. The information might be obtained directly from the annual reports of the companies concerned or from trade publications which report on these matters from time to time.

*ASSISTANCE TO NEW GOLD MINING COMPANIES

Question No. 19—**Mr. Caouette:**

Does the government grant any financial assistance to the new mining companies which produce gold in order to help them in the organizational stage?

Mr. Benidickson: The federal government does not provide direct financial assistance to new gold mining companies in the organizational stage.

Major incentives to new mining ventures are provided through benefits granted under the Income Tax Act, i.e. three year tax exemption, percentage depletion allowance, write-off of exploration and development expenses, and rates of depreciation.

Assistance is available to all mines from the Department of Mines and Technical Surveys in the form of topographical and geological survey maps and reports, and in the development of ore treatment processes.

Questions

NET NATIONAL REVENUE AND GROSS NATIONAL PRODUCT

Question No. 20—**Mr. Caouette:**

1. What was the net national revenue for the last fiscal year?
2. What was the gross national product for the same period?

Mr. Pepin: 1. "Net national revenue" is not a term used by the dominion bureau of statistics. "Net national income at factor cost" is a term used in the national accounts. It amounted to $30,606,000,000 in the calendar year 1962.

2. The gross national product for the calendar year 1962 was $40,401,000,000.

FINANCIAL CONTRIBUTIONS TO OTHER COUNTRIES

Question No. 21—**Mr. Caouette:**

What was the financial contribution of Canada, during the past fiscal year, to assist the Congo, India, Pakistan, France, Great Britain?

Mr. Martin (Essex East): 1. There has been no direct financial assistance from Canada to the Congo during the past fiscal year. However, the Congo is eligible for assistance from a number of UN programs, including the UN ad hoc fund for the Congo created under resolution 1474 (ES)IV of September 20, 1960, which has received financial contributions from Canada.

2. Allocation to India under the Colombo plan for the provision of goods and services, $19.5 million. Pledge in the form of long term credits to Indian consortium convened by the international bank for reconstruction and development, $25 million for the first two years (1961-63) of the current Indian five year plan, i.e. at the rate of $12.5 million for each of the past two years.

3. Allocation to Pakistan under the Colombo plan for the provision of goods and services, $12.1 million. Pledge in the form of long term credits to Pakistani consortium convened by the international bank for reconstruction and development, $15 million for the second and third years of the current five year plan, i.e. at the rate of $7.5 million for each of the past two years.

4. None.

5. None.

SUBSIDIZATION OF NEW GOLD PRODUCTION

Question No. 23—**Mr. Caouette:**

Does the government subsidize the production of new gold in Canada?

Mr. Benidickson: The federal government grants assistance under the Emergency Gold Mining Assistance Act on gold produced by a new mine entering production for the first time on the same terms as established gold mines.

[Mr. Benidickson.]

No assistance is paid on gold produced as a by-product from base metal mines or from gold mines not eligible for assistance under the Emergency Gold Mining Assistance Act because of low costs of production.

FINANCIAL ASSISTANCE TO QUEBEC CLASSICAL COLLEGES

Question No. 24—**Mr. Caouette:**

Has the government given financial assistance to any classical colleges in the province of Quebec and, if so, what colleges have been assisted, and what was the amount granted in each case?

Mr. Pepin: The below listed answer applies in so far as Central Mortgage and Housing Corporation is concerned.

Loans under part VIA of the National Housing Act, 1954, to assist in the construction of university housing projects have been approved to the following classical colleges in the province of Quebec:

College	Loan Amount
L'Academie de Quebec	$810,000
Seminaire Saint-Pie X	221,706
Seminaire de Nicolet	483,300
College de Matane	630,900
College de Victoriaville	810,565
College de Rouyn	550,000
College Bourget	148,500
Seminaire Marie Reine du Clerge	385,000
College Notre-Dame	622,212
College Marguerite D'Youville	482,400

Federal university grants for current operating purposes have been paid during the past five years through the Canadian universities foundation. The foundation has determined eligibility.

Eligible classical college enrolment (as well as that of other affiliated institutions) was counted in the 1958-59 and 1959-60 total eligible enrolment of the parent universities (Laval, Montreal and Sherbrooke). Payments were eventually made for total eligible enrolment at these three universities.

Two classical colleges, the Collège Marie-de-France (considered as independent) and the Collège de Rouyn (at the time affiliated with the University of Ottawa), were counted as separate institutions and payments were made to them for 1958-59 and 1959-60. Separate payments were also made to Loyola College and Collège Jean-de-Brébeuf for 1959-60 only.

Federal grants to certain classical colleges in the province of Quebec and to parent universities having eligible classical college enrolment in the province of Quebec are as follows: (1) (5).

Questions

	Federal University grants for current operating purposes through the Canadian Universities Foundation	Capital grants from the Canada Council university capital grants fund	Research grants from the federal government acknowledged by Canadian universities
Collège Marie-de-France	$	$	$
1958-59	25,236	Total	–
1959-60	23,788	paid up	–
1960-61	(3)	to end of	–
1961-62	(3)	March 31, 1963,	N.A.
1962-63	(3)	44,600	N.A.
College de Rouyn			
1958-59	31,233	Total	–
1959-60	30,318	paid up	–
1960-61	(3)	to end of	–
1961-62	(3)	March 31, 1963,	N.A.
1962-63	(3)	58,340	N.A.
Loyola College			
1958-59	–	–	6,676
1959-60	182,373	–	3,647
1960-61	(3)	–	3,344
1961-62	(3)	–	N.A.
1962-63	(3)	–	N.A.
Collège Jean-de-Brébeuf			
1958-59	–	Total	–
1959-60	50,840	paid up	–
1960-61	(3)	to end of	–
1961-62	(3)	March 31, 1963,	N.A.
1962-63	(3)	97,832	N.A.
Université Laval (total payments, including classical colleges)			
1958-59	2,062,874	Total	476,038
1959-60	2,041,314	paid up	626,603
1960-61	(3)	to end of	486,915
1961-62	(3)	March 31, 1963,	N.A.
1962-63	(3)	725,000	N.A.
Université de Montréal (total payments including classical colleges)			
1958-59	2,777,733	Total	770,577
1959-60[4]	2,732,791	paid up	857,325
1960-61	(3)	to end of	971,486
1961-62	(3)	March 31, 1963,	N.A.
1962-63	(3)	1,954,331	N.A.
Université de Sherbrooke (total payments including classical colleges)			
1958-59	345,561	Total	–
1959-60	376,173	paid up	–
1960-61	(3)	to end of	–
1961-62	(3)	March 31, 1963,	N.A.
1962-63	(3)	723,867	N.A.

Questions

(1) Most of the Quebec institutions did not accept the 1958-59 and 1959-60 federal grants at the time. The money was held in trust by the Canadian universities foundation and later paid to the institutions concerned.

(2) Operating grants were at the rate of $1.50 per capita from 1958-59 to 1961-62 and were increased to $2.00 per capita for 1962-63.

(3) Beginning with the year 1960-61, an agreement was reached between the federal and the Quebec governments whereby the latter gave assistance to Quebec universities at a per capita rate at least equivalent to that for the other provinces and in return received an abatement of approximately 1 per cent of corporation income tax.

(4) Excludes amounts paid to Loyola College and Collège Jean-de-Brébeuf.

(5) Loans under part VIA of the National Housing Act, 1954, to assist in the construction of university housing projects, under Central Mortgage and Housing Corporation are supplied separately.

NUMBERS OF CIVIL SERVICE CLERKS

Question No. 25—**Mr. Caouette:**

What is the total number of federal civil servants classified as (a) clerk grade I or equivalent (b) clerk grade II or equivalent (c) clerk grade III or equivalent?

Mr. Dupuis: As of September 1962, the total number of federal civil servants classified as

Clerk grade 1, or in a class with an equivalent maximum salary rate—8043.

Clerk grade 2, or in a class with an equivalent maximum salary rate—7310.

Clerk grade 3, or in a class with an equivalent maximum salary rate—8881.

FEDERAL EMPLOYEES

Question No. 26—**Mr. Caouette:**

What is the total number of federal employees (a) in the county of Villeneuve (b) in the province of Quebec (c) in Canada?

Mr. Dupuis: (a) Villeneuve is an electoral district consisting of parts of the Quebec counties of Abitibi and Temiscamingue. No statistics are available showing employment by electoral districts or counties. However, the economic region of western Quebec which includes the counties of Abitibi and Temiscamingue and the districts of Abitibi and Mistassini had 294 civil servants at September 30, 1962. At the same date there were a total of 22,279 persons under the Civil Service Act in Quebec and 137,298 in Canada (and abroad).

	Departments and departmental corporations	Agency and proprietary corporations and other agencies	Total
(b) Province of Quebec (Feb. 28/63)	32,359	32,556	64,915
(c) Canada (including abroad) (Feb. 28/63) ..	198,155	129,635	327,790

(Translation):

SENNETERRE, QUE.—RADAR STATION

Question No. 28—**Mr. Caouette:**

1. Who is the owner of the mining lots on which the Senneterre radar station is located?

2. Have these lots been purchased by the government?

3. What amount has been given by the government to the owner of these lots if they have not been expropriated, and by what right has the government built a radar station on them?

4. Does the government intend to pay the cost of expropriation of these lots?

Mr. Hellyer: 1. The lots on which the Senneterre radar station is located are owned by the crown in the right of the province of Quebec.

2. No.

3. The federal government is occupying these lots under an agreement with the government of the province of Quebec and no amount was implied in that agreement.

[Mr. Pepin.]

4. Does not apply following answer to question 3 above.

CANADIAN GOLD RESERVE

Question No. 29—**Mr. Caouette:**

What is the present gold reserve for Canadian currency?

Mr. Benson: At the present time no gold reserves are held against Bank of Canada notes in circulation. Until 1940 the central bank was required under Section 23(1) of the Bank of Canada Act to maintain a gold reserve equal to at least 25 per cent of its outstanding note and deposit liabilities. As from May 1, 1940, this provision has been suspended by parliament. The gold holdings of the exchange fund are published each month in the Bank of Canada statistical summary. At April 30, 1963, exchange fund holdings of gold were U.S. $738.7 million.

(Text):

NATIONAL DEBT

Question No. 30—**Mr. Caouette:**

1. What is at present the total national debt held (a) outside of Canada (b) in Canada?
2. What is the average rate of interest paid on that debt?

Mr. Pepin: 1. Total unmatured bonded debt of the government of Canada outstanding as at March 31, 1961, $14,132,915,000.

Amount of above estimated to be held by non-residents, $611 million.

2. Average rate of interest on above outstanding debt 3.98 per cent per annum.

NUMBER OF UNEMPLOYED

Question No. 31—**Mr. Caouette:**

What is the total number of unemployed (a) in the county of Villeneuve (b) in the province of Quebec and (c) in Canada?

Mr. Byrne: (a) Not available. (b) 182,000 as of April 20, 1963. (c) 462,000 for same period.

FEDERAL CONTRIBUTIONS TO QUEBEC SOCIAL ALLOWANCES FUND

Question No. 32—**Mr. Caouette:**

1. Does the government contribute to the social allowances fund of the province of Quebec and, if so, what is the amount of its annual contribution?

Questions

2. What was the total amount contributed to that fund (a) for the last fiscal year (b) for the last five years?

Mr. Haidasz: 1. There are no contributions by the federal government to a social allowances fund, as such. However the cost of social assistance payments made under the Quebec public charities act are shared by the federal government under the Unemployment Assistance Act. Federal sharing of allowances for the aged, the blind and the permanently and totally disabled is provided under the Old Age Assistance Act, the Blind Persons Act and the Disabled Persons Act.

2. (a) Federal payments to Quebec during 1962-63 were $33,579,397 under the Unemployment Assistance Act, $13,793,745 under the Old Age Assistance Act, $1,662,937 under the Blind Persons Act, and $8,577,890 under the Disabled Persons Act.

(b) The agreement with Quebec under the Unemployment Assistance Act was signed in July 1959. Federal contributions in each fiscal year since that date are shown in the first column of the table below. Federal contributions under the other federal-provincial programs, from 1958-59 to 1962-63 inclusive, are shown in the second, third and fourth columns of the table.

	Unemployment Assistance	Old Age Assistance	Blind Persons Allowances	Disabled Persons Allowances	Total
1958-59	$	$10,592,641	$1,501,106	$8,362,889	$20,456,636
1959-60	7,790,530	10,688,586	1,493,120	8,307,354	28,279,590
1960-61	14,164,527	10,977,319	1,456,779	7,995,958	34,594,583
1961-62	38,222,198	10,896,302	1,412,002	7,460,933	57,991,435
1962-63	33,579,397	13,793,745	1,662,937	8,577,890	57,613,969

COST OF SERVICING NATIONAL DEBT

Question No. 33—**Mr. Caouette:**

What was the cost of servicing Canada's national debt during the last fiscal year?

Mr. Pepin: The latest fiscal year for which actual expenditures are available is 1961-62. According to the public accounts of Canada, "interest and other public debt charges" amounted to $839 million for the fiscal year ended March 31, 1962.

(Translation):

CANADIAN MONEY SUPPLY

Question No. 34—**Mr. Caouette:**

What is at present the money supply in Canada?

Mr. Benson: Figures relating to the money supply are published by the Bank of Canada for each Wednesday and each month-end in its weekly financial statistics and its monthly statistical summary. On May 8, 1963, the total of currency outside banks and chartered bank deposits was $15,681 million.

AIRPORT CONSTRUCTION, VAL D'OR AND ROUYN, QUE.

Question No. 35—**Mr. Caouette:**

Have submissions been received in connection with the construction of airports in the towns of Val d'Or and Rouyn and, if so, what was their nature, and what organizations presented them?

Mr. Cantin: There is no recent record of any submissions.

(Text):

FAMILY ALLOWANCES

Question No. 37—**Mr. Caouette:**

1. How many Canadian children receive family allowances?
2. Does the government propose to increase family allowance rates and to extend their application to students?

Mr. Haidasz: 1. As of March 1963 family allowances were paid on behalf of 6,659,880 Canadian children.

Questions

2. As this is a matter of government policy any proposed legislation would be announced by the government at the appropriate time.

(Translation):

ADVANCES BY BANK OF CANADA TO CHARTERED BANKS

Question No. 38—**Mr. Caouette:**

1. On what occasions and on what dates did the Bank of Canada advance credit to any chartered banks?

2. What chartered banks have obtained aid from the Bank of Canada, and how much did they borrow from the said Bank of Canada?

Mr. Benson: 1. The total amount of advances (if any) by the Bank of Canada to chartered and savings banks is shown for each Wednesday and each month-end in the Bank's weekly and month-end published returns. Two returns in the last six months have shown such advances to be outstanding, $500,000 on December 19, 1962, and $650,000 on January 16, 1963.

2. Advances to individual banks are not a matter of public record.

(Text):

*TELEVISION STATIONS ESTABLISHED SINCE JANUARY, 1960

Question No. 39—**Mr. Fisher:**

1. How many television stations or satellite television stations have been established or are in the process of establishment at the present time by the Canadian Broadcasting Corporation since January 1, 1960?

2. What was the per capita cost in the figures used by the C.B.C. in their projection on each one of these stations; (the per capita figure in this sense relates to the number of people whom the C.B.C. estimates or estimated would fall within the A and B contours of such stations or such satellites)?

3. In the extension of television service to parts of the country not presently covered, what is the present position of the per capita cost figure; that is, what stations most recently established or being established were at what per capita cost figure?

Mr. Dupuis: I am informed by the Canadian Broadcasting Corporation as follows:

In the corporation's extension of coverage program, the priority given to the planning of the various projects is based on the estimated cost per capita.

1. Thirty one.

2. The costs per capita used in planning the following projects were:

Mont Tremblant/Mont Laurier, P.Q.	1.00
Castlegar, B.C.	1.00
Trail/Nelson, B.C.	1.21
Port Rexton, Nfld.	1.35
Courteney, B.C.	1.54
Sturgeon Falls/Sudbury	1.57
St. Paul/Cold Lake, Alberta	2.40
Sheet Harbour, N.S.	2.65
Timmins/Kapuskasing, Ontario	3.14
Dryden/Sioux Lookout, Ontario	3.49
Fort Frances, Ontario	3.49
Atikokan, Ontario	3.49
Red Lake, Ontario	3.49
Timiskaming, P.Q.	4.03
Grand Prairie/Peace River, Alberta	4.14
Flin Flon/The Pas, Manitoba	4.83
Cranbrook, B.C.	4.93
Cheticamp, N.S./Magdalen Islands, P.Q.	6.75

3. The stations most recently established, or being established and the costs per capita used in planning, are as follows:

Castlegar, B.C.	1.00
Sheet Harbour, N.S.	2.65
Timmins/Kapuskasing, Ontario	3.14
Dryden/Sioux Lookout, Ontario	3.49
Fort Frances, Ontario	3.49
Timiskaming, P.Q.	4.03

CANADIAN ROLE IN NATO

Question No. 40—**Mr. Fisher:**

1. Prior to its selecting the Honest John artillery, did the government ever volunteer to NATO headquarters to make its military contribution in the defence of Europe with conventional, as distinct from nuclear weapons?

2. Did the federal government propose at any time to its NATO allies that Canada's role be non-nuclear?

3. Have any of the NATO allies accepted an exclusively non-nuclear role under NATO command?

Mr. Hellyer: 1. No.

2. No.

3. All NATO countries subscribe to the nuclear strategy of the alliance. The precise role undertaken by member nations of the alliance is a matter for each individual country to decide.

WELLAND CANAL—TWINNING OF LOCKS

Question No. 42—**Mr. Fisher:**

1. What amount of money has been spent toward the twinning of the single locks on the Welland ship canal?

2. Is any on site work proceeding at the present time toward the proposed twinning and, if so, what is the nature of the work?

Mr. Cantin: The St. Lawrence seaway authority advises as follows:

1. $967,766.00, to March 31, 1963, including payments for the expropriation of lands.

2. Yes; subsurface investigations and surveys.

RADIOACTIVE FALL-OUT

Question No. 43—**Mr. Fisher:**

1. What is the latest reading of radioactive fall-out in each of the provinces of Canada?

2. Is milk the only index used by the Department of National Health and Welfare for measuring radioactive fall-out?

Mr. Haidasz: 1. See table attached.

2. No. Measurements of radioactive fall-out are also made in air, precipitation, soil, wheat and human tissues.

Questions

MOST RECENT FALLOUT FIGURES AS REPORTED FOR VARIOUS LOCATIONS IN THE PROVINCES

Location	Air Data	Precipitation Data	Milk Data			
	micromicrocuries per cubic meter March/63	millicuries per sq. kilometer Feb./63	Strontium-89 micromicrocuries per liter Feb./63	Strontium-90 micromicrocuries per liter Feb./63	Cesium-137 Feb./63	Iodine-131 Mar./63
Calgary	9.0	10.4	12	20.8	77	9
Coral Harbour	8.1	63.9	—	—	—	—
Edmonton	6.4	72.0	10	18.2	63	—
Ft. Churchill	7.0	42.1	—	—	—	—
Ft. William	10.4	24.2	6	25.2	76	—
Fredericton	12.6	37.1	0	31.1	152	—
Goose Bay	8.4	16.8	—	—	—	—
Inuvik	10.7	27.3	—	—	—	—
Montreal	11.6	144.4	10	16.5	54	—
Moosonee	12.2	21.5	—	—	—	—
Ottawa	11.8	93.2	0	18.7	59	4
Quebec City	13.2	92.5	0	23.9	97	2
Regina	8.4	30.5	3	16.1	26	—
Resolute	7.9	199.0	—	—	—	—
Saskatoon	8.2	38.4	9	16.2	20	15
Sault Ste. Marie	10.8	68.0	0	14.0	43	3
Shearwater (Halifax)	12.2	*	5	27.0	59	3
Torbay (St. John's)	8.1	88.5	6	20.9	70	—
Toronto	9.9	59.1	2	7.3	57	—
Vancouver	6.5	331.0	2	19.9	86	1
Whitehorse	9.4	24.5	—	—	—	—
Windsor	10.5	65.7	0	12.3	32	0
Winnipeg	8.6	51.2	9	17.1	43	0
Yellowknife	9.9	35.4	—	—	—	—
Average	9.6	71.2 (* no sample)	5	19.1	63	4

22 May 1963

N.H.A. LOANS THROUGH FORT WILLIAM OFFICE

Question No. 44—**Mr. Fisher:**

1. How many National Housing Act loans have been processed through the Fort William office of Central Mortgage and Housing Corporation in 1962 and 1963?

2. What were their total value?

3. How many loans were processed in 1961, 1960, 1959?

4. What lawyers handled these loans for Central Mortgage and Housing in 1961, 1962 and 1963?

Mr. Carter: 1. and 2.

N.H.A. Loans Approved*—C.M.H.C. Fort William office

Year	Approved Lenders Loans	Approved Lenders Amount	C.M.H.C. Loans	C.M.H.C. Amount	Total Loans	Total Amount
1962	159	$2,099,738	105	$1,250,515	264	$3,350,253
1963 (Jan.-Mar.)	44	611,848	9	105,563	53	717,411
Total	203	$2,711,586	114	$1,356,078	317	$4,067,664

3.

N.H.A. Loans Approved*—C.M.H.C. Fort William office

Year	Approved Lenders No. of Loans	C.M.H.C. No. of Loans	Total No. of Loans
1959	164	209	373
1960	142	59	201
1961	243	115	358

*Data do not take account of loans cancelled after approval.

4. The lawyers listed below were engaged for work relating to title search and preparation of mortgages covering direct loans made by Central Mortgage and Housing Corporation under the National Housing Act.

The corporation has no record of lawyers engaged relating to N.H.A. loans made by approved lenders.

28902-5—36½

Questions

Name of lawyer	July—Dec. 1959* No. of Loans	1960 No. of Loans	1961 No. of Loans	1962 No. of Loans	Jan.—Mar. 1963 No. of Loans
Murray W. Babe, Fort William	1	—	5	7	—
Harold G. Blanchard, Port Arthur	3	7	7	6	—
Benedict C. Devlin, Fort William	33	8	21	15	4
A. A. Kajander, Port Arthur	42	8	18	14	—
J. F. W. Ross, Port Arthur	1	3	21	11	—
R. L. Seaman, Port Arthur	38	6	17	12	1
J. C. Smith, Fort Frances	3	—	1	—	—
Weiler, Weiler & Maloney, Fort William	47	21	18	37	4
Note: N.H.A. loans made to veterans pursuant to part II V.L.A.—legal services arranged by Department of Veterans Affairs.	5	6	7	3	—
Total	173	59	115	105	9

*Information regarding lawyers engaged for work relating to direct loans by C.M.H.C. for the period January to June 1959 is not readily available. The corporation commenced statistical recording of this information in July 1959.

WELLAND CANAL—GOVERNMENT POLICY RESPECTING TWINNING OF LOCKS

Question No. 46—**Mr. Fisher:**

Is there any change in the federal government's policy in regard to the twinning of the locks of the Welland canal and expropriation of land necessary for this twinning?

Mr. Cantin: This matter is under intensive study, but important issues are involved which may take some time to resolve.

PERSONAL HISTORY FORM

Question No. 47—**Mr. Knowles:**

1. Has the review of the personal history form indicated in the answer to question No. 206 (*Hansard*, October 15, 1962, page 520) been completed?

2. Has a new form been prepared; if so, has use of the old form been discontinued and, if not, by what authority is it being used?

Mr. Pearson: 1. No.

2. A draft of a new form has been under consideration but has not yet been finally approved for use in place of the old form.

AGRICULTURAL LOANS, CHAPLEAU COUNTY, QUE.

Question No. 48—**Mr. Laprise:**

1. How many applications for agricultural loans were received from Chapleau county during the years 1961 and 1962, and of these, how many were approved?

2. What were the amounts of each of the loans approved for this county during these years?

Mr. Beer: The farm credit corporation does not maintain statistical records on a constituency basis. However, in the municipal counties of Abitibi East and Abitibi West, which approximately coincide with the constituency of Chapleau, detail pertaining to farm loans during the years 1961 and 1962 is as follows:

1. 1 application received, which was not approved.

2. Nil.

LAY-OFFS OF T.C.A. PILOTS

Question No. 49—**Mr. Fisher:**

1. How many pilots have been furloughed by Trans-Canada Air Lines since January 1, 1962?

2. In what numbers and at what dates did this furloughing take place?

3. Has Trans-Canada Air Lines any records or general indications as to the subsequent employment achieved by any of these pilots?

4. What indication, if any, did T.C.A. give to any pilots furloughed that there might be future employment with T.C.A.?

5. What rights to they have in terms of future employment opportunities as pilots or in any other branch of the service?

6. At the present time, what likelihood is there that in 1963 or 1964 there will be further lay-offs of pilots on T.C.A.?

Mr. Cantin: The management of Trans-Canada Air Lines advise as follows:

1. A total of 26 pilots have been furloughed since January 1, 1962.

2. 16 were furloughed on April 1, 1962 and 10 on May 1, 1963.

3. Of the 26 pilots concerned: eight are presently employed in T.C.A. in other capacities; nine are in the employ of other air lines; one has resigned; five have notified the company that they are employed, but the names of the employers are unknown; three have not kept in touch with the company and their whereabouts are unknown.

4. Furloughed pilots have recall rights under the terms of the agreement with CALPA. It was originally indicated to the April 1962 group that they might be recalled in 1963; however, they were subsequently notified that this recall would not take place

and that it was not possible at this stage to establish a definite date. In so far as the May 1963 group is concerned, no definite date for recall was indicated, although it is anticipated that this group will be required during 1964.

5. As indicated in the reply to the previous question, all furloughed pilots have recall rights under agreement, in order of seniority. These rights are limited to pilot positions, but considerable effort has been made to place these individuals in ground jobs as suitable vacancies occur.

6. No further lay-offs are expected in 1963 or 1964 based on presently known plans.

COST OF OTTAWA NATO CONFERENCE

Question No. 50—**Mr. Mather:**

What is the financial cost to Canada of the present NATO conference in Ottawa?

Mr. Martin (Essex East): The estimated financial cost to Canada as the host nation of the present NATO ministerial meeting in Ottawa and for which funds have been requested in the supplementary estimates of the Department of External Affairs are in the amounts of

(a) Fiscal year 1962/63	$15,000
(b) Fiscal year 1963/64	380,000
Total estimated cost	$395,000

Included in this estimate are substantial amounts for such items as furniture, furnishings and special broadcasting and communications equipment which are to be taken into use by other government departments and agencies after they have served their conference use. The final cost to the Canadian government will be less than the estimate given above by the amount of the credits accumulated from the items turned over to departmental use. It is not possible to provide an exact figure of the credits involved at this time.

TRAINING OF FRENCH SPEAKING OFFICERS

Question No. 51—**Mr. Fisher:**

1. Has the Department of National Defence a military college with the specific purpose of encouraging Canadians whose native language is French to train and to become officers in the Canadian forces?

2. If so, where is the college, how long has it been established, and what has been its student body, by year, in make-up as between those whose native language is French and those whose native language is English?

3. How many students in each category have gone on to complete their military education at Royal military college, Kingston, in the years since the French language school was established?

4. For each year, what has been the record of performance of these French language students at R.M.C.? That is, how many have dropped out without completing a year or the course, how many have failed the course, how many have been successful, how many are now in the services with permanent commissions?

5. What percentage of those who have entered the French language military college are now in the services with officers' commissions?

Questions

Mr. Hellyer: 1. Yes, the bilingual services college—College Militaire Royal de Saint-Jean.

2. The college was opened in September 1952 at St. Jean, Quebec, and the student body has been as follows:—

Academic Year	French	English
1952-53	81	48
1953-54	120	94
1954-55	153	127
1955-56	197	168
1956-57	181	187
1957-58	178	179
1958-59	193	170
1959-60	200	167
1960-61	202	187
1961-62	222	192
1962-63	229	164

3.

Year	French	English
1955	14	16
1956	24	23
1957	26	22
1958	27	34
1959	27	33
1960	27	33
1961	24	34
1962	38	45

4.

Year of Entry to RMC	Number Dropped Out	Number Failed	Number Graduated	Number in Services
1955	1	6	7	2
1956	1	3	20	12
1957	1	9	16	11
1958	2	3	22	22
1959	-	5	22	22
1960	4	11	12	12

5. Because the course for cadets entering College Militaire Royal de Saint-Jean is of five years duration, only those who entered College Militaire Royal de Saint-Jean in 1957 or earlier could have graduated and now be holding a permanent commission in one of the services. The percentage of those who have entered College Militaire Royal de Saint-Jean

in 1957 or earlier, who are now in the services with permanent commissions, is 23.2 per cent.

*TELEVISION STATION, ST. JOHN'S, NFLD.

Question No. 52—**Mr. Fisher:**

1. Did the B.B.G. approve a C.B.C. application for a new T.V. station at St. John's and, if so, when?
2. In any such approval, did the B.B.G. set out a number of conditions in its approval, including: "That the C.B.C. will co-operate with CJON-TV in ensuring the extension of alternative television service in Newfoundland generally." and, if so, in detail, what does this condition mean, as the B.B.G. sees it?

Mr. Pickersgill: Mr. Speaker, the answers are as follows:

1. Following its public hearing in March 1963, the board recommended for approval an application by the C.B.C. to establish a new T.V. station at St. John's, Newfoundland.

2. The board did set out in its recommendation a number of conditions including "That the C.B.C. will co-operate with CJON-TV in ensuring the extension of alternative television service in Newfoundland generally."

After this recommendation was forwarded to the Department of Transport the department asked the board the extent to which it expects participation by the C.B.C. in terms of finances, technical advice, the use of C.B.C. equipment, etc. The board now has under consideration the preparation of an answer to be given to this enquiry.

OPERATING STATISTICS FOR CLASS I RAILWAYS

Question No. 53—**Mr. Fisher:**

Is the d.b.s. aware that the president of the C.N.R. has indicated that the d.b.s. information relating to operating statistics for class I railways, insofar as they relate to job classifications, are not usable for comparison between the C.P.R. and the C.N.R. and, if so, what steps in detail, has d.b.s. undertaken to make these statistics usable in a comparable way, particularly with regard to executives, foremen, and chiefs of various kinds?

Mr. Pepin: For the past year, a special working committee of the railway association of Canada consisting of representatives of the Canadian National Railways, Canadian Pacific Railway Company, the board of transport commissioners and the dominion bureau of statistics under the chairmanship of the chief transportation section, dominion bureau of statistics, has been engaged in a major revision of the classification of railway employees and their compensation.

This revision which will facilitate the collection of more comparable data is nearing completion and it is expected that the classification will be printed this fall and put into effect January, 1964.

[Mr. Hellyer.]

MEETING BETWEEN TRUCKING REPRESENTATIVES AND GOVERNMENT

Question No. 54—**Mr. Fisher:**

1. When did national representatives of the trucking industry last have a formal meeting with the government, and more particularly with members of the cabinet including the minister of transport?
2. Who represented the trucking industry at this meeting?
3. Has the new ministry received any requests for such a meeting and, if so, from whom, for what purposes, and to what result?

Mr. Cantin: 1. and 2. Information as to interviews with the previous government or any of its ministers is not of official record in the department.

3. Yes. A letter was received by the Minister of Transport from Mr. John Magee, executive secretary of Canadian Trucking Associations Inc., requesting an interview with a committee of officials of that organization to discuss matters relating to the trucking industry. The meeting has been arranged for June 10.

FORT WILLIAM, ONT. ARMOURY

Question No. 55—**Mr. Fisher:**

1. What are the present plans of the government with regard to an armoury in Fort William, Ontario?
2. Are they any different from the plans of the previous government?

Mr. Hellyer: 1. There are no current plans for the construction of an armoury at Fort William, Ontario.

2. The government does not have information on the plans of the previous government on this subject.

FORT WILLIAM, ONT. FEDERAL BUILDING

Question No. 56—**Mr. Fisher:**

1. What are the present plans of the government with regard to building a new federal building and/or a new post office in Fort William, Ont.?
2. Are they any different from the plans of the previous government?

Mr. Badanai: 1. Tenders for a new federal building at Fort William will be called in the near future and it is planned that construction will commence this year.

2. No.

FORT WILLIAM, ONT. EXPERIMENTAL STATION

Question No. 57—**Mr. Fisher:**

1. What are the present plans of the government with regard to an agricultural experimental station in Fort William riding?
2. Are they any different to the plans of the previous government?

Mr. Beer: 1. A 70 acre tract of land, located 12 miles southwest of Fort William on highway 130, was purchased in 1962 for the establishment of an experimental farm. This farm

will serve the Thunder bay-Rainy river-Kenora areas and work will be concerned with cereal and forage crops and potatoes. It is proposed to construct a service type building for forage crop work as soon as possible and, later on, machinery storage, headerhouse and greenhouse facilities of a modest nature. In addition to the superintendent, approximately five subprofessional positions will be provided as circumstances permit.

2. The plans outlined above were decided upon at the time the experimental farm was established. There has been no major change since that time.

FORT WILLIAM, ONT. AIRPORT EXTENSION

Question No. 58—**Mr. Fisher:**

1. What are the present plans of the government with regard to extensions to the airport at Fort William?
2. Are they any different to the plans of the previous government?

Mr. Cantin: 1. Expansion of the air terminal building and the rebuilding of runway 07-25 and the associated taxiways.

2. The present government is not in a position to answer as to the plans of the previous government.

LABOUR FORCE SAMPLING SURVEYS, PORT ARTHUR AND FORT WILLIAM

Question No. 60—**Mr. Fisher:**

1. Who are the residents of Fort William and Port Arthur who carry out the sampling for the labour force surveys?
2. What changes in personnel have there been in these posts in the past three years?

Mr. Pepin: 1. Residents of Fort William and Port Arthur engaged in carrying out the sampling for the labour force surveys:

Mrs. Stella Gresch, 564 Piper avenue, Fort William, Ontario; Mrs. A. Henderson, 189 Summit avenue, Port Arthur, Ontario; Mrs. Ruth McCall, 219 Balmoral street, Fort William, Ontario; Mrs. Lorraine McWilliam, Jumbo Garden, P.O., Port Arthur, Ontario.

2. The following changes in personnel in the above mentioned posts have taken place within the past three years:

Mrs. Eunice Sutherland, 608 Hyde Park avenue, Fort William, Ontario, resigned in July, 1960 and was replaced by Mrs. Stella Gresch, 564 Piper avenue, Fort William, Ontario.

Mrs. Ruth McCall, 219 Balmoral street, Fort William, Ontario, was appointed in February, 1962 to fill a new assignment.

Mrs. Verna Maxwell, 65 Marlborough road, Port Arthur, Ontario, resigned in August, 1962 and was replaced by Mrs. Lorraine McWilliam, Jumbo Garden P.O., Port Arthur, Ontario.

SPONSORING OF IMMIGRANTS

Question No. 61—**Mr. Prittie:**

1. Under what circumstances is an intending immigrant required to obtain a sponsor prior to admission to Canada?
2. Who may sponsor an immigrant within this category?
3. How many such sponsored immigrants over the age of fifty were admitted to Canada in each of the years 1956-1961?
4. What is the government's policy with regard to the approval of applications of this nature?
5. Is approval related to the sponsor's capacity to support the intended immigrant and, if so, what guarantees are required that the sponsor has bona fide intentions?
6. In situations where there is no expectation that the immigrant will ever be self-supporting, is the sponsorship intended to be of indefinite duration?
7. How many sponsored immigrants are in receipt of old age security benefits, disabled persons' allowances and blind persons' allowances at this time; how many sponsored immigrants will be eligible for such allowances by the year 1970; and what is the estimated cost of the allowances to such persons at present and projected to 1970?
8. In situations where the sponsor subsequently reneges on his obligation to provide maintenance, what steps are taken by the department and what machinery is available to them to enforce the terms of the original contract?

Mr. Munro: 1. A person who is unable to comply with the requirements for admission as an unsponsored immigrant may be sponsored if he comes within the categories of sponsorable immigrants described in section 31 of the immigration regulations, which reads:

Landing in Canada is limited to persons who comply with all the requirements respecting landing in Canada set out in the act and these regulations and who come within one of the following classes:

(a) A person who, by reason of his education, training, skills or other special qualifications, is likely to be able to establish himself successfully in Canada and who

(i) has sufficient means of support to maintain himself in Canada until he has so established himself,

(ii) has come to Canada, under arrangements made or approved by the director, for placement in employment,

(iii) has come to Canada, under arrangements made or approved by the director, for establishment in a business, trade or profession, or in agriculture, or

(iv) is the son, son-in-law, daughter or fiance of a Canadian citizen who

(A) resides in Canada, and

(B) has applied for and is willing and able to provide care and maintenance for the person, until the person has established himself successfully in Canada;

(b) a person who is the husband, wife or the unmarried son or daughter under twenty one years of age of an individual who

(i) complies with the requirements of paragraph (a),

(ii) is accompanying the person to Canada, and

(iii) is willing and able to provide care and maintenance for the person until such person has established himself successfully in Canada; or

Questions

(c) a person who is the parent, grandparent, husband, wife or fiancee, or the unmarried son or daughter under twenty one years of age, of a Canadian citizen or of an individual legally admitted to Canada for permanent residence who

(i) is residing in Canada, and

(ii) has applied for and is willing and able to provide care and maintenance for the person until such person has established himself successfully in Canada.

(d) a person who is a citizen of any country of Europe, including Turkey; or of any country of North, Central or South America or islands adjacent thereto; or of Egypt, Israel or Lebanon, if such person is:

(i) the son, daughter, brother or sister, as well as the husband or wife and the unmarried son or daughter under twenty one years of age of such son, daughter, brother or sister, as the case may be; or

(ii) the unmarried orphan nephew or niece under twenty one years of age, or fiance

of a Canadian citizen or of a person legally admitted to Canada for permanent residence, who is residing in Canada and who has applied for such person, and who is willing and able to provide care and maintenance for such person until he has established himself successfully in Canada.

2. Canadian citizens and legal permanent residents of Canada under the terms set out in section 31 of the immigration regulations.

3. Statistics showing sponsored immigration by age groups are not available.

4. The government's policy with regard to approval of applications of this nature reflects the regulations, i.e., the sponsor must be a Canadian citizen or a person legally admitted to Canada for permanent residence, residing in Canada, who is willing and able to provide care and maintenance for the person sponsored until such person has established himself successfully in Canada. Under paragraph (iv) of subsection (a) of section 31, where the admissibility of the person sponsored is also contingent on his educational, occupational or other special qualifications, it is the policy to assess the intending immigrant's qualifications under the same criteria which would be applied in the case of an unsponsored immigrant and to weigh any deficiencies against the nature of the assistance in establishment offered by the sponsor. Approval, however, is dependant on the immigrant's possession of an adequate education, training or skill, so that he is capable, with the initial help of the sponsor, and within a reasonable time of his admission, of becoming successfully established in Canada on his own resources.

5. Yes: many factors enter into consideration of application for the admission of nominated immigrants; for example, the sponsor's own resources and capabilities and the extent and nature of his obligations, related to the obligations he is assuming, such as the number and kind of persons sponsored, their probable needs and the probable duration of the assistance they may require. To support his application, evidence may be requested from the sponsor as to his financial or economic situation. Before an application can be accepted for approval, and as evidence of his acceptance of responsibility and good faith, the sponsor must sign an undertaking to provide care and maintenance for the person sponsored. The undertaking incorporates a guarantee that such person will not become a public charge in Canada.

6. Yes.

7. This information is not available.

8. Where a sponsor withdraws support from a person brought to Canada on his application and this leads to the newcomer's requiring public assistance the department makes a full investigation of the facts. Where the sponsor defaults for reasons other than unemployment, has been obliged to cease support, the department will do what it can to secure employment for the newcomer with a view to making him self-supporting. Where the sponsor defaults for reasons other than inability to continue support the department uses all possible means of persuasion to require the sponsor to respect the terms of his undertaking of support. Where a sponsor deliberately defaults in his responsibility to provide reasonable care and maintenance for a migrant who came to Canada under his sponsorship and this fact is known to the department, it follows that any subsequent application by that sponsor for the admission of additional migrants is unlikely to be approved.

[Mr. Munro.]

FAMILY ALLOWANCE AND OLD AGE PENSION PAYMENTS

Question No. 63—**Mr. Mather:**

What amounts were paid by the federal government as (a) family allowances during the year 1962 in each of the provinces of Canada (b) as old age pensions during 1962 in each of the provinces of Canada?

Mr. Haidasz: Listed below, by province, are the net payments for the year 1961-62 for family allowances and old age security.

	(a) Family Allowances	(b) Old Age Security
Newfoundland	$ 16,336,849	$ 11,947,626
Prince Edward Island	3,204,881	5,151,999
Nova Scotia	21,623,655	28,895,584
New Brunswick	19,222,615	21,291,111
Quebec	157,712,911	131,711,372
Ontario	168,442,100	226,065,413
Manitoba	25,065,334	38,085,361
Saskatchewan	26,313,109	39,621,029
Alberta	38,928,125	42,276,129
British Columbia	42,687,279	79,622,315
Yukon and North West Territories	1,244,335	439,865
NATIONAL	$520,781,193	$625,107,804

COST OF IMPORTING U.S. MAGAZINES

Question No. 64—**Mr. Mather:**

What was the total amount of money paid by Canadians for the importation of American magazines during the year 1962?

Mr. Pepin: There are no statistics on the total amount of money paid by Canadians for the importation of American magazines during the year 1962.

(Translation):

PUBLIC WORKS EXPENDITURES, QUEBEC CITY

Question No. 65—**Mr. Beaule:**

What amount did the Department of Public Works spend on public works in the city of Quebec last year?

Mr. Badanai: $2,443,841.

(Text):

ST. CHARLES RIVER CONTAMINATION, QUEBEC CITY

Question No. 66—**Mr. Beaule:**

Does the government intend to solve the problem of the contamination of the St. Charles river in Quebec city, for which the citizens of this city have been pressing for so many years?

Mr. Haidasz: The Department of National Health and Welfare has not received any request from the Quebec department of health or the Quebec water purification board for assistance in solving the problem of contamination of the St. Charles river in Quebec city.

Where provincial water courses are involved, federal jurisdiction is limited and federal participation in pollution abatement programs can only be undertaken at the request of the provincial authorities.

(Translation):

*ELIMINATION OF LEVEL CROSSINGS, QUEBEC CITY

Question No. 67—**Mr. Beaule:**

Will the government include in its discussions with C.N.R. and C.P.R. representatives the matter of diverting train traffic from Quebec city in order to eliminate level crossings in the city?

Mr. Cantin: A detailed answer to a question in regard to railway level crossings in the city of Quebec was given by the former minister of transport on January 30, 1963, at page 3255 of *Hansard* of that day. There has been no change in the situation since that time.

(Text):

*UNEMPLOYMENT INSURANCE CLAIMS, MONTREAL AND QUEBEC CITY

Question No. 68—**Mr. Beaule:**

1. Are decisions relating to various problems submitted to the Quebec office of the unemployment insurance commission taken by the Montreal office, and, if so, for what reason?

2. What is the number of cases still pending, between Montreal and Quebec, since January 1, 1963?

Mr. Byrne: 1. All non-contentious claims originating in Quebec city are adjudicated at that point. Contentious claims are sent for adjudication to the regional office in Montreal. Several reasons dictated this procedure, the most important of which were:

(1) The constant training of qualified staff, to maintain a high standard of adjudication, is not practical when the adjudication staff is dispersed into small units.

(2) Full utilization of expert adjudication staff is obtainable only where the volume of irregular claims warrants the establishment of such a staff.

(3) Recruitment of staff with the necessary technical knowledge essential for this function was difficult at many points, and not obtainable at all at other points.

(4) Consultation with officers having wide knowledge and experience with respect to the adjudication of contentious claims was not possible where only small units were constituted.

(5) Uniformity of decisions in contentious claims is essential and is attainable only when the claims are dealt with at one point.

2. None. Over 90 per cent of all claims sent by Quebec city to Montreal are back in Quebec city within three or four days of despatch by the latter. Delays of three to four weeks occur in less than 3 per cent of the claims during the period of heaviest claim load, and, because these delays are necessitated by the need for extended investigation, they would occur if adjudication were to take place in Quebec city.

(Translation):

DISPOSITION OF OLD POST OFFICE BUILDING, QUEBEC CITY

Question No. 69—**Mr. Beaule:**

What does the government intend to do with the old post office building on Henderson street in Quebec city?

Mr. Badanai: That building will be occupied by the family allowances and old age security division of the Department of National Health and Welfare later this year, when the alterations needed are completed.

(Text):

FOX RIVER, N.S., POSTMASTER

Question No. 70—**Mr. Coates:**

1. When was the new postmaster appointed at Fox river, Cumberland county, Nova Scotia?
2. What is the postmaster's name?
3. What were the names of other applicants for the position?

Mr. Denis: 1. A permanent appointment has not yet been made.

2. Mrs. Lois P. Yorke is acting postmaster.

3. The names of Mr. Seldon Benjamin and Mrs. Seldon Benjamin were suggested as persons who would be suitable for appointment.

MACCAN, N.S., POSTMASTER

Question No. 72—**Mr. Coates:**

1. Has a new postmaster been appointed at Maccan, Nova Scotia, and, if so, what is the postmaster's name?

2. What are the names of the unsuccessful applicants for the position?

Mr. Denis: 1. Yes. Mr. Logan H. Dwyer.

2. Mrs. Mary E. (Henry) Harrison.

JOGGINS, N.S., POSTMASTER

Question No. 73—**Mr. Coates:**

1. Has the new postmaster been appointed at Joggins, Nova Scotia, and, if so, what is his name?

2. What are the names of the unsuccessful applicants for the position?

Mr. Denis: 1. Yes. Mr. Cornelius Dujay.

2. Mr. James Daniel Hill, Mr. Abel McGraw, Mrs. Shirley McGraw, Mr. Daniel Wall Adams, Mr. Adam James Gray, Mr. Harvey Leon Burke.

*FARM CREDIT LOAN APPLICATIONS, QUEBEC

Question No. 74—**Mr. Côté (Chicoutimi):**

Since the last amendment was made to the Farm Credit Act (a) how many loans were approved by the corporation in the counties of (i) Chicoutimi (ii) Lapointe (iii) Lake St. John and (iv) Roberval (b) what were the total amounts of these farm loans (c) how many applications were submitted by farmers in these counties (d) how many applications were rejected (e) how many applications are being processed?

Mr. Beer: I am informed by the Farm Credit Corporation that statistical records are not maintained on a constituency basis. However, in the municipal counties of Lac-Saint-Jean West, Lac-Saint-Jean East and Chicoutimi, which approximately coincide with the constituencies of Chicoutimi, Lapointe, Lake St. John and Roberval, the answer is as follows:

(a) Lac-Saint-Jean West	37
Lac-Saint-Jean East	6
Chicoutimi	12
Total	55
(b) Lac-Saint-Jean West	$521,600
Lac-Saint-Jean East	92,200
Chicoutimi	156,200
Total	$870,000
(c) Lac-Saint-Jean West	74
Lac-Saint-Jean East	34
Chicoutimi	21
Total	129
(d) Lac-Saint-Jean West	4
Lac-Saint-Jean East	3
Chicoutimi	nil
Total	7
(e) Lac-Saint-Jean West	72
Lac-Saint-Jean East	31
Chicoutimi	20
Total	123

(Translation):

RAWDON, QUE.—POST OFFICE

Question No. 75—**Mr. Pigeon:**

1. Who submitted the lowest tender for the construction of a post office building in Rawdon, Quebec?

2. Has construction work been suspended and, if so, under whose authority and for what reasons was work suspended?

3. What decision has the public works department taken with regard to completion of this work?

Mr. Badanai: 1. Jean Jacques Lane, Enrg., of Rawdon, Quebec.

2. Construction was suspended by the department on May 15, 1963, in order to investigate representations from local citizens.

3. Work was ordered recommenced on May 22, 1963.

*C.B.C. INTERVIEWS WITH FRENCH CANADIAN CABINET MEMBERS

Question No. 76—**Mr. Pigeon:**

1. Has the C.B.C. interviewed successively the French-speaking members of the cabinet on the program entitled "Aujourd'hui"?

2. Did the C.B.C. follow this course in 1957, 1958 and 1962, and, if not, for what reasons?

Mr. Pickersgill: The Canadian Broadcasting Corporation advises as follows:

1. Yes.

2. The television program "Aujourd'hui" did not exist at the time.

But, Mr. Speaker, the reply to the first question seems incomplete to me, because I did not get any invitation.

USE OF LOCAL LABOUR IN POST OFFICE CONSTRUCTION

Question No. 77—**Mr. Boutin:**

Does the Postmaster General intend to ensure that skilled and unskilled labour working on the construction of post offices are residents of the parishes where such construction is undertaken?

Mr. Badanai: Yes, the general conditions of articles of conventions of any contract stipulate that:

(1) The contractor shall employ to carry out work Canadian manpower and materials as far as they are available and as long as it is compatible with a reasonable economy and a prompt execution of the work,
and that:

(2) Notwithstanding paragraph (1), the contractor shall employ, as much as possible, manpower residing in the community where the work is carried out.

ST. ZACHARIE DE DORCHESTER, QUE., POST OFFICE

Question No. 78—**Mr. Boutin:**

1. Has the contract been awarded for the construction of a post office in the parish of St. Zacharie de Dorchester?

2. If so, (a) what was the amount of the contract (b) to whom was it awarded (c) how much was paid for the land on which the post office will be built (d) from whom was this land bought?

Mr. Badanai: 1. Yes. 2. (a) $15,980. (b) Romain Drouin Entreprise Generale, St. Zacharie. (c) $4,500. (d) From the pastor and churchwardens of the parish of St. Zacharie, Que.

ST. ISIDORE DE DORCHESTER, QUE., POST OFFICE

Question No. 79—**Mr. Boutin:**

Is the Postmaster General aware that the existing post office in St. Isidore de Dorchester is only 15 years old and that it is fully capable of ensuring excellent service for the population of that parish?

Mr. Denis: Yes. However, in localities such as those, it is up to the Department of Public Works to provide postal premises. Moreover, that department is the one to decide whether the post office will be rented, as is the case in St. Isidore de Dorchester, or whether a federal public building will be erected.

VALUE OF CANADIAN BONDS ISSUED

Question No. 80—**Mr. Pigeon:**

What is the value of the bonds issued by the government of Canada from 1914 to date?

Mr. Benson: The par value of government of Canada bonds of domestic loans issued since December 1, 1915, the date of the first war loan, until March 31, 1963, totalled $73,675,221,000.

(Text):

PRODUCTIVITY INCREASE

Question No. 83—**Mr. Caouette:**

What has been the annual increase in productivity since 1949; and compared to 1949, how much had productivity increased in 1960, 1961 and 1962?

Mr. Pepin: There is no official information available on productivity in Canada at the present time.

AID TO PROVINCES FOR TECHNICAL SCHOOLS

Question No. 84—**Mr. Caouette:**

What amounts were granted to each of the provinces as aid for specialized technical schools during each year since this program was initiated?

Mr. Byrne: Following are the amounts contributed by the federal government to each of the provinces in respect of the costs of providing technical and vocational training facilities and toward the cost of operating technical and vocational schools and institutes during each year since April 1, 1961 when the technical and vocational training agreements concluded with the provinces under authority of the Technical and Vocational Training Assistance Act came into effect:

Province	Capital costs of technical and vocational training facilities		Operational costs of technical and vocational training facilities	
	1961–62	1962–63	1961-62	1962–63
	$	$	$	$
Newfoundland	2,681,397.44	12,932,085.22	52,060.83	67,662.32
Prince Edward Island	80,077.99	825,666.07	83,499.39	51,667.36
Nova Scotia	433,112.34	2,607,735.95	245,435.09	340,777.13
New Brunswick	818,978.50	1,853,129.98	334,038.26	378,276.32
Quebec	1,508,969.37	7,391,229.10	6,201,293.29	10,824,865.75
Ontario	8,624,665.63	119,357,138.34	1,374,544.28	2,333,130.69
Manitoba	475,113.34	3,122,768.08	239,700.98	209,954.00
Saskatchewan	598,105.55	4,362,570.61	416,441.13	478,834.57
Alberta	1,778,410.69	22,166,978.95	1,088,439.83	1,438,781.37
British Columbia	876,792.82	4,421,087.55	676,609.90	727,583.00
Northwest Territories	—	60,892.97	23,820.77	27,279.61
Yukon Territory	25,841.63	525,693.60	10,244.26	18,090.24

Questions

REORGANIZATION OF NEW WESTMINSTER HARBOUR COMMISSION

Question No. 85—**Mr. Mather:**

Is it the intention of the government to proceed at the present session with the reorganization of the New Westminster harbour commission into a Fraser river harbour authority?

Mr. Cantin: It is hoped that action on the legislative program laid before parliament will permit consideration at the present session, of general municipal harbour commission legislation which would make possible the reorganization mentioned.

FRASER RIVER TRIFURCATION

Question No. 86—**Mr. Mather:**

Is it the intention of the government to proceed this year with the trifurcation of the Fraser river?

Mr. Badanai: No, this is unlikely as it is not expected that the necessary hydraulic studies will be completed in time to start actual construction this year.

*ROADS TO RESOURCES PROGRAM, NEW BRUNSWICK

Question No. 88—**Mr. Fairweather:**

1. What projects are planned under the joint Canada-New Brunswick roads to resources program in 1963?

2. Is it proposed to finish projects already started before new projects are undertaken?

3. Specifically, how much work is planned for (a) Kingston peninsula loop (b) Doaktown-Chipman road (c) Grand Lake road?

Mr. Laing: Mr. Speaker, I must warn the hon. member that he is putting me to quite a test in the pronunciation of these unusual New Brunswick names. I shall do my best.

1, 2 and 3. The following roads are to be constructed under the roads to resources agreement between Canada and the province of New Brunswick authorized by order in council P.C. 1957-1577, dated December 10, 1959:

Juniper, Napodogan road.

Plaster Rock, Renous road.

Doaktown, Chipman road, Blue River road, Mace's Bay road.

Saint John, Mispec road, Boiestown or Doaktown to Plaster Rock road, Kingston Peninsula loop, Westmoreland Shore road, Grand Lake road, Salmon River bridge, Cape Bald loop, Shediac bay loop, Buctouche bay loop, Richibucto loop, St. Croix river road, Bathurst westerly road, Heath Steel road.

Miscou Island, Shippegan Island road.

Lower Escuminac, Kouchibouguac road.

The provincial government has advised that the St. John-Mispec road has been completed. The agreement requires the province to complete construction of the other projects by March 31, 1969, but the planning and scheduling of construction is a provincial responsibility under the agreement.

NATIONAL CANADIAN COLOURS AND EMBLEM

Question No. 89—**Mr. Matheson:**

1. Does Canada have national colours and, if so, what are these colours?

2. Does Canada have a national emblem and, if so, what is the emblem?

3. If the answer to parts 1 or 2 is yes, by what authority was such obtained and when?

Mr. Dupuis: 1. Yes; white and red.

2. Yes; three maple leaves conjoined on one stem.

3. By the royal proclamation dated November 21, 1921 by which, on the recommendation of the government of Canada in Canadian order in council P.C. 1496 dated April 30, 1921, His late Majesty King George V appointed and declared the arms and ensigns armorial of Canada.

PUBLIC WORKS PROJECTS, PARRY SOUND-MUSKOKA RIDING

Question No. 90—**Mr. Aiken:**

Is the government giving consideration to the following proposed public works projects in the riding of Parry Sound-Muskoka (a) wharf at Doe lake (Katrine, Ontario) (b) wharf at lake Isabella (c) wharf improvements at Magnetawan (d) wharf at Restoule lake (e) wharf at Riley lake (f) wharf at Wood lake?

Mr. Badanai: (a) Yes, a launching ramp is being considered. (b) No. (c) Yes. (d) No. (e) No. (f) No.

*REMOVAL OF PARRY SOUND MARINE AGENCY

Question No. 91—**Mr. Aiken:**

Does the government plan to move the headquarters of the Parry Sound marine agency from the town of Parry Sound, Ontario?

Mr. Cantin: No consideration has been given to this matter.

INTEREST RATES CHARGED BY BANKS ON PERSONAL LOANS

Question No. 93—**Mr. Thompson:**

1. Is the government aware that Canadian chartered banks are incorporating charges into personal loans that have the effect of raising the interest rate charged substantially above the legal maximum of 6 per cent per annum?

2. Does the government contemplate taking any action to restrict the imposition of such charges?

Mr. Benson: 1. In the case of a personal loan repayable in instalments, some of the chartered banks made an interest or discount charge at a rate not exceeding 6 per cent per annum as allowed by subsection 1 of section 91 of the Bank Act, and also charge a sum for keeping the loan account of the customer under an express agreement with the customer, as allowed by subsection 2 of section 93 of the act.

2. This is a matter which will be considered at the next revision of the Bank Act and after receipt of the report of the royal commission on banking and finance.

1st CANADIAN AIR DIVISION, EUROPE

Question No. 95—**Mr. Harkness:**

1. How many F-104 aircraft are now in possession of the 1st Canadian air division in Europe?
2. How many CF-104 squadrons have been formed in the 1st Canadian air division?
3. When is it planned that these squadrons will become operational?
4. What are the planned dates for the formation of the remainder of the CF-104 squadrons?

Mr. Hellyer: 1. Sixty.

2. Two.

3. The date on which squadrons become fully operational is related to the completion of negotiations with the United States for the required armament.

4. Present plans call for the completion of the formation of the CF-104 squadrons by late January 1964.

PROTECTION OF MILITARY INSTALLATIONS, QUEBEC

Question No. 96—**Mr. Harkness:**

1. What is the estimated cost of the damage done to military installations in the province of Quebec by the recent bombings and other terrorist activities of the FLQ?
2. What is the estimated monthly cost to the Department of National Defence for the extra security arrangements which have been made to guard against damage by the FLQ?

Mr. Hellyer: 1. $10,600.

2. $2,142.80.

TRAFFIC ACCIDENTS—INJURIES AND DAMAGE

Question No. 97—**Mr. Mather:**

1. How many persons were (a) killed (b) injured, in traffic accidents in Canada in 1957, 1958, 1959, 1960, 1961 and 1962?
2. What was the estimated total property toll in these accidents?

Mr. Pepin: 1. The number of persons killed or injured in traffic accidents in Canada, 1957 to 1962:

	Persons killed number	Persons injured number
1957	3,260	78,426
1958	3,118	80,061
1959	3,231	84,751
1960	3,283	90,186
1961	3,426	99,263
1962	3,883	111,115

2. Estimates of property damage are not collected separately for each category of accident. Property damage from all accidents for Canada, excluding the province of Quebec which are not available, 1957 to 1962:

	Property Damage (Thousands of dollars)
1957	73,123
1958	72,825
1959	78,706
1960	81,684
1961	84,696
1962	93,699

VETERINARY COLLEGE, PRAIRIE PROVINCES

Question No. 98—**Mr. Douglas:**

1. Has any consideration been given to the establishment of a veterinary college in the prairie provinces?
2. If so (a) what decision has been reached (b) has the government agreed to pay any share of the costs (c) has either the government of Saskatchewan or the government of Alberta made any firm commitments or requests regarding this matter and, if so, what is their nature?

Mr. Beer: 1. It is understood that the provinces of Saskatchewan and Alberta are giving consideration to the establishment of a veterinary college.

2. (a) The government has no knowledge of any decision having been reached.

(b) This is under consideration.

(c) The ministers of agriculture for the governments of Saskatchewan and Alberta have requested federal financial assistance in the establishment of a veterinary college.

TRANSAIR, LTD., MAIL CONTRACT

Question No. 99—**Mr. Fisher:**

Has Transair Limited been given in 1963 a mail contract on the south prairie air route and, if so, what are the financial terms of the contract?

Mr. McWilliam: Yes—effective April 15, 1963 $1.50 per ton mile.

INCLUSION OF CHIROPRACTIC IN MEDICAL CARE PROGRAM

Question No. 100—**Mr. Fisher:**

1. In the consideration being given to the establishment of a medical care insurance system in Canada, is the inclusion of chiropractic as one of the healing professions accepted by the Department of National Health and Welfare?
2. If not, could the department give its reasons for the exclusion of chiropractic in such consideration?

Mr. Haidasz: 1. and 2. As the question involves a matter of government policy any announcement by the government will be made at the appropriate time.

PURCHASE OF FORT WILLIAM "TIMES-JOURNAL" BY THOMSON INTERESTS

Question No. 101—**Mr. Fisher:**

Has any agency of the ministry of justice followed up the purchase of the Fort William *Times-Journal* by the Thomson newspaper interests and, if so, which agency, in what ways, to what conclusions?

Questions

Mr. Stewart: When the acquisition of the newspaper was made public in the latter part of September 1962, the director of investigation and research immediately examined the matter to determine whether an inquiry was warranted. The general practice, however, is that no information is given out as to whether an inquiry is being pursued unless and until a report is published.

TRANSAIR LIMITED, PRAIRIE SERVICE

Question No. 102—**Mr. Fisher:**

1. Did the government award the south prairie route to Transair Limited in 1963, and, if so, was the government aware of any statements beforehand by the president of Transair that Transair would take the south prairie route for an annual subsidy over 4 years of $325,000?

2. Was a subsidy awarded to Transair, and, if not, in lieu of subsidy what arrangements were made regarding acquisition of airplanes and servicing of aircraft and what is the estimated value of this equipment and these services and by whom are they to be provided?

3. Has ownership of any planes been transferred to Transair and, if so, what was the official price paid in the ownership transaction?

Mr. Cantin: 1. (a) The air transport board by order No. 3490, dated March 11, 1963, granted a licence to Transair Ltd., to operate this route.

(b) The Minister of Transport has no personal knowledge of statements made by the president of Transair in regard to this matter.

2. No. However, an agreement was entered into between Trans-Canada Air Lines and Transair providing for the acquisition of certain aircraft and the provision of aircraft maintenance service. This agreement is considered to be a commercial one as between the two companies and, as is well known, it has not been the practice to disclose the details of transactions of this nature.

3. Yes, see answer to No. 2.

(Translation):

*MONTREAL—NATIONAL CENTENNIAL PLANS

Question No. 103—**Mr. Lessard:**

On the occasion of the centennial of confederation, does the national centennial administration (a) intend to build income producing buildings in the city of Montreal (b) know of a request which was made to hold the Grey Cup game for 1967 in Montreal, provided a suitable stadium is built there (c) received an official request from the city of Montreal on the building of such buildings or structures?

Mr. Lamontagne: The national centennial administration advises that the reply to the three questions of the hon. member is no. I must add, however, respecting the first question, that the plans of the national centennial administration are not yet developed to the point where a final answer could be given.

(Text):

RETIREMENT PENSIONS OF ARMED FORCES OFFICERS

Question No. 104—**Mr. Dinsdale:**

1. Will the recently announced increase in pay for senior officers in the armed forces result in an increase in their retirement pensions?

2. How many retired officers are in receipt of annual retirement pensions of (a) between 4 and 5 thousand dollars (b) between 5 and 6 thousand dollars (c) between 6 and 7 thousand dollars (d) between 7 and 8 thousand dollars (e) over 8 thousand dollars?

Mr. Hellyer: 1. Yes, for those personnel retiring subsequent to 13 May 1963, since pensions are based on average pay and allowances during the last six years of service.

2. (a) 408. (b) 198. (c) 79. (d) 33. (e) 54.

(Translation):

ST. LAWRENCE SEAWAY—SALARIES OF CAUGHNAWAGA BRIDGE OPERATORS

Question No. 105—**Mr. Lachance:**

Is the St. Lawrence seaway authority reimbursing the C.P.R. for the salary of each operator at the seaway tower (Caughnawaga bridges 4 and 5) and, if so, what is the amount involved in each case?

Mr. Cantin: The St. Lawrence Seaway Authority advises as follows:

Yes. Reimbursements in 1962 were as follows: in the case of four regular operators: $4,355.96, $4,865.38, $4,643.72, $4,470.87; and in the case of two relief operators: $560.55 and $357.96.

(Text):

PROVINCIAL MENTAL HEALTH AND HOSPITAL PROGRAMS

Question No. 106—**Mr. Orlikow:**

1. During 1960-61, how many projects were not approved, or reduced in amount, because the Department of National Health and Welfare did not have funds allocated to assist the provinces with an orderly development of their mental health programs?

2. During 1960-61, how many hospital construction projects have been refused, or reduced in amount, because the Department of National Health and Welfare did not have funds allocated to assist the provinces with an orderly development of hospital facilities?

Mr. Haidasz: 1. The mental health grant, increased in the year 1960-61 to $8,765,391 from the previous amount of $7,234,868, was allocated to the provinces for that year under the terms of order in council of March 3, 1960 (P.C. 1960 18/257).

The provinces submitted projects for the development of their mental health programs within the amounts of allocation.

In one province only, which submitted projects in excess of the allocation of the grant, 20 projects had to be rejected or reduced.

2. No hospital construction project was refused or reduced in amount during the year 1960-61.

Note: The above replies are the same as those tabled in the House of Commons on October 15, 1962 in reply to exactly the same questions asked by another hon. member.

MENTAL HEALTH GRANTS

Question No. 107—**Mr. Orlikow:**

1. Has the minister or the Department of National Health and Welfare taken any steps to implement the proposals contained in the private member's resolution concerning mental health, which was unanimously supported and adopted by this house on December 5, 1960?

2. Has the minister given consideration to the recent reports by the Canadian Mental Health Association, entitled "Mental Health Services in Canada", released in January, 1962, and the study of psychiatric services in Canada, entitled "More for the Mind", and has any action been taken in regard to the proposals set out in these reports?

3. Has the minister received any representations from medical persons, boards or associations, concerning the utilization and size of the mental health grant; and, if so, what, in substance, were such representations?

4. Has the government considered increasing the grant sufficiently to meet the existing needs in this field?

5. Since 1958, how many provincial governments have requested the inclusion of mental hospitals in the federal hospital insurance program (Hospital Insurance and Diagnostic Services Act)?

Mr. Haidasz: 1. The advisory committee (of the Department of National Health and Welfare) on mental health considered the private member's resolution and resolved in March 1961 and again in March 1962:

That the advisory committee on mental health approves the resolution adopted in the House of Commons on December 5, 1960, which called on the government to "consider the advisability of co-operating with the provincial authorities and such professional and other groups as may be interested, in making a national survey of the extent of mental illness, its causes, problems and methods of treatment, and considers favourably the advisability of a national survey.

That the advisory committee on mental health supports the resolutions by the Canadian Psychiatric Association and the Canadian Mental Health Association; and recommends that these resolutions be brought to the attention of the royal commission on health needs in the most appropriate manner.

That in the event that the general purposes of the Macnaughton resolution are not implemented by the royal commission on health needs the subject be brought again before the advisory committee on mental health.

It is understood that several briefs to the royal commission on health needs brought this matter to the attention of the commission.

The report of the royal commission on health needs is expected to be published within the next few months. Study of the report will commence as soon as it has been received, with a view to implementing proposals the commission might present in accordance with its findings.

2. The preliminary report of the Canadian Mental Health Association bearing the title "Mental Health Services for Canada" was studied by representatives from various provinces and organizations at an institute supported by the department held in Ottawa in January 1962. The subsequent final report "More for the Mind" was presented to the Minister of National Health and Welfare on May 2, 1963, and is presently under study.

3. Representations have been received that the mental health grant should be increased and provision be made for annual increases in accordance with the growth of population.

4. All national health grants, including the mental health grant, are under continuous study in order to provide suitable federal assistance on behalf of provincial health programs.

5. Subsequent to discussions concerning the inclusion of mental hospitals under the hospital insurance program at the dominion provincial conference held in November 1957, the inclusion of these hospitals was raised by Prince Edward Island, Nova Scotia, Manitoba, Saskatchewan, and British Columbia at the dominion provincial conference in July 1960.

Note: The first, third, fourth and fifth answers are the same as those tabled in the House of Commons on October 15, 1962 in reply to exactly the same questions asked by Mr. Alan Macnaughton, M.P.

PERCENTAGE OF UNEMPLOYED

Question No. 108—**Mr. Howe (Wellington-Huron):**

What was the percentage of unemployment to the total labour force, as of May 1, 1963, in Canada and in each of the provinces?

Mr. Byrne: The percentage of unemployment to the total labour force, as at the week ended April 20, 1963 (which is the latest data available) is:

Canada 7.0; Atlantic 14.1; Quebec, 9.9; Ontario, 4.5; Prairies, 4.4; Pacific, 6.7.

Separate data for the individual Atlantic and prairie provinces are not available.

Questions

HUNTER RIVER, P.E.I. POST OFFICE

Question No. 110—**Mr. Macquarrie:**

Has a suitable site been obtained for the erection of a post office at Hunter river, Prince Edward Island and, if so, when is it intended to commence construction?

Mr. Badanai: No.

CHARLOTTETOWN, P.E.I. ARMOURY

Question No. 111—**Mr. Macquarrie:**

What are the present plans of the government for the construction of a new armoury at Charlottetown?

Mr. Hellyer: There are no current plans for the construction of a new armoury at Charlottetown.

RUSTICO HARBOUR BRIDGE, P.E.I.

Question No. 112—**Mr. Macquarrie:**

When is it intended to commence construction of the bridge across Rustico harbour to allow completion of the gulf shore highway in the Prince Edward Island national park?

Mr. Turner: Factors involved in the construction of a bridge across Rustico harbour to complete the gulf shore highway in Prince Edward Island national park are being studied at the present time and considerable progress has been achieved. When these studies are complete, it will be possible to take a decision about the design and construction of the bridge.

BEAUCEVILLE HOSPITAL, QUE.—FEDERAL CONTRIBUTION

Question No. 113—**Mr. Perron:**

Did the federal government make any contribution through loans, grants or subsidies to the construction of the Beauceville hospital and, if so, what was the amount of the federal contribution?

Mr. Haidasz: No. Inquiry has been made of the province for additional information essential to the calculation of federal assistance under the terms of the hospital construction grant.

(Translation):

ST. GEORGES DE BEAUCE, QUE.—MAIL DELIVERY

Question No. 114—**Mr. Perron:**

Have any steps or decisions been taken to permit house to house mail delivery in the town of Saint Georges de Beauce?

Mr. Denis: No. A recent survey indicates that the number of potential points of call in St. Georges de Beauce is not sufficient to warrant the establishment of a door-to-door mail delivery service.

(Text):

FLOOD PREVENTION WORK, CHAUDIERE RIVER

Question No. 116—**Mr. Perron:**

Has the government received a request from the government of Quebec to undertake flood prevention work on the Chaudiere river?

[Mr. Byrne.]

Mr. Hellyer: In so far as the Department of National Defence is concerned, there have been no requests from the province of Quebec for assistance with flood control in the Chaudiere valley since the flooding there in March 1962.

ST. MARIE DE BEAUCE, QUE.—CIVIL DEFENCE STATION

Question No. 117—**Mr. Perron:**

Have representations been made to the federal government and steps taken by the Department of National Defence to set up a civil defence station at Ste. Marie de Beauce?

Mr. Dupuis: No record.

FARM CREDIT ACT LOANS, BEAUCE COUNTY, QUE.

Question No. 118—**Mr. Perron:**

Since the last amendment was made to the Farm Credit Act (a) how many applications for loans were submitted by farmers in Beauce county (b) how many loans were approved by the corporation (c) what is the total amount of the loans granted in Beauce county?

Mr. Beer: (a) 8; (b) 2; (c) $17,800.

*VOCATIONAL SCHOOLS—FEDERAL REIMBURSEMENT TO PROVINCES

Question No. 120—**Mr. Olson:**

1. Has representation been received from any of the provinces to extend the 75 per cent rate of reimbursement to the provinces with respect to approved capital costs for building and equipment purchased within the agreement of federal-provincial technical and vocational training schools?

2. Is it the government's intention to extend this program at the 75 per cent rate of reimbursement to the provinces beyond March 31, 1963?

3. Is the government considering increasing the federal share of cost of operation in the vocational training section of these schools?

Mr. Byrne: Mr. Speaker, the answer to No. 1 is yes; No. 2, this is being considered at the present time; No. 3, no.

CANADIAN NAVY DESTROYERS, GUNS AND FRIGATES

Question No. 121—**Mr. Fisher:**

1. Was the original estimated cost of each *Mackenzie* class destroyer in the neighbourhood of $23 million and, if so, what is the expected cost at the present time when the ships reach completion?

2. Have there been a great many changes in plans for installation of such equipment as variable depth sonar and helicopter platforms; if so, why were these not on the original plans?

3. How effective are the new three inch seventy deck guns, under consideration for use or being used by the Royal Canadian Navy?

4. Has the government any knowledge of the use of these weapons and their subsequent abandonment by the Royal Navy and, if so, for what reason were they abandoned?

5. Is the Department of National Defence reviewing the need for missile firing general purpose frigates?

6. What is the estimated cost of such frigates and what comparison is there in this cost with the possibility of a purchase price on a new *Oberon* class submarine from Great Britain?

Mr. Hellyer: 1. The original estimate was $23 million. The present estimate on completion is $26 million.

2. It was found feasible to include variable depth sonar and helicopter platforms in the last two ships of the *Mackenzie* class (H.M.C.S. *Nipigon* and *Annapolis*) with minimum delay to normal planning and work schedules. The construction of the first four ships of the *Mackenzie* class was too far advanced to incorporate variable depth sonar and the helicopter platforms during construction.

3. These guns are installed in the *Restigouche* class and three of the *Mackenzie* class ships. No additional orders are planned. They are considered effective against the targets for which they were designed.

4. The Royal Navy has not abandoned the 3"70 gun. It is understood R.N. policy is the replacement of all anti-aircraft guns by missile systems. There are, nevertheless, several ships of the Royal Navy still in operation at sea using the 3"70.

5. Yes.

6. The cost of construction of the general purpose frigate is now estimated at approximately $37 million per ship. The latest available estimate for the *Oberon* class submarine is $11 million built in British shipyards.

ARDA PROJECTS, BRITISH COLUMBIA

Question No. 122—**Mr. Mather:**

Is it the intention of the government to make ARDA legislation effective in British Columbia during 1963 and, if so, will drainage of the Serpentine and Nicomekl river valleys, in the lower mainland of British Columbia, be given priority among projects?

Mr. Beer: ARDA legislation was made effective in British Columbia by signing of the ARDA general agreement by the government of Canada and the government of British Columbia on October 15, 1962.

Project agreements have been signed with British Columbia which allow for the approval of specific projects for the development of community pastures, for the acquisition of submarginal agricultural lands for alternate uses, and for the carrying out of research projects. A project agreement to allow for the approval of specific ARDA soil and water conservation projects in British Columbia is now under negotiation. Drainage programs in the lower mainland have been informally discussed but no formal proposal has yet been received from the province.

PURCHASE OF ACCESSORIES BY OIL COMPANY DEALERS

Question No. 123—**Mr. Mather:**

Has any inquiry been made during the past three years, under the provisions of the Combines Investigation Act, to ascertain whether automobile manufacturers, oil companies, etc., exert pressure on their dealers compelling them to purchase parts and accessories exclusively from the manufacturers or their wholesale outlets and, if so, what was the result?

Mr. Macdonald: The general practice is that no information is given out as to whether an inquiry is being pursued in a particular industry unless and until a report is published. There have been no reports published under the Combines Investigation Act during the past three years concerning activities of the nature described on the part of automobile manufacturers or companies. In April 1962, however, a report of the restrictive trade practices commission on an inquiry made under section 42 of the act concerning the distribution and sale of automotive oils, greases, antifreeze, additives, tires, batteries, accessories, and related products was made public. Among the matters considered in the inquiry were policies of oil companies in their relations with retail gasoline outlets and involving full line forcing and directed buying.

(Translation):

STE. IRÉNÉE LES BAINS, QUE.—WHARF REPAIRS

Question No. 126—**Mr. Belanger:**

Does the government intend to proceed in the near future with the urgent and necessary repairs to the wharf at Ste. Irénée les Bains in Charlevoix county?

Mr. Badanai: Yes, some maintenance work and repairs will be carried out early this summer.

BAIE ST. PAUL, QUE.—WHARF CONSTRUCTION

Question No. 127—**Mr. Belanger:**

Does the government intend to build in the near future a deep water wharf at Baie St. Paul, in Charlevoix county?

Mr. Badanai: No, not at the present time.

(Text):

PAYMENTS TO DR. NOEL DROUIN, ST. TITE DES CAPS, QUE.

Question No. 129—**Mr. Belanger:**

Did Dr. Noel Drouin of St. Tite des Caps, Montmorency county, receive payments during the fiscal year ended March 31, 1962, totalling $6,552 from the federal government and, if so, what amount and for what services was Dr. Drouin paid?

Mr. Dupuis: Dr. Noel Drouin was paid $6,552 during the fiscal year 1961-62 by the Department of National Health and Welfare for his services as one of the four federal representatives on the medical review board under the disabled persons allowances program in the province of Quebec, and $20 by the Department of Veterans Affairs for medical services rendered to an eligible veteran under the department's doctor of choice plan.

Questions

PENSIONS FOR INCAPACITATED PERSONS

Question No. 132—**Mr. Mather:**

Has the government given consideration to the advisability of co-operating with the provincial governments regarding providing pensions equal to old age pensions for persons incapacitated and unable to earn their living, regardless of age?

Mr. Haidasz: As this is a matter of government policy any announcement will be made by the government at the appropriate time.

*METEOROLOGICAL TRACKING STATION, VICTORIA COUNTY, N.S.

Question No. 133—**Mr. Muir (Cape Breton North and Victoria):**

1. Has clearing been completed on the site of the Nimbus meteorological tracking station in Victoria county, Nova Scotia?

2. How soon will tenders be called for construction of this station?

Mr. Cantin: 1. Clearing of the site and entrance road is 90 per cent complete. Work has been discontinued because of restrictions on burning brush in the area.

2. The interagency agreement between the Department of Transport and the national aeronautics and space administration has not yet been signed; hence a date for tender calls cannot be firm. However, if the agreement is signed within a month, specifications will be completed this summer and tender call and contract award will follow this autumn. It is anticipated that foundation work and road construction can be completed prior to winter with the remainder of the construction occurring in 1964. On this schedule the facility could be operational during the spring of 1965.

NAVAL REFIT FOR FERGUSON INDUSTRIES, PICTOU, N.S.

Question No. 135—**Mr. MacEwan:**

Is it the intention of the government to allocate a naval refit in June to Ferguson Industries Ltd., Pictou; if so, what ship will be refitted and what is the approximate estimate of the contract?

Mr. Drury: Yes. A contract has been awarded to Ferguson Industries Ltd., Pictou, Nova Scotia, for the docking and refit of H.M.C.S. Chaleur. The work is scheduled to commence on June 3 and be complete on July 26. The estimated value of the contract is $75,000.

CONTRACTS FOR VALCARTIER ARSENAL

Question No. 137—**Mr. Beaule:**

Have any negotiations been undertaken in order to obtain new contracts for the Valcartier arsenal so that the employees who have been laid off, many of whom live in Quebec city, may return to work?

Mr. Drury: With completion of substantial and long term Canadian and U.S. contracts for various calibres of military small arms ammunition dating back to Korean war requirements, it has become necessary for the Valcartier plant of Canadian Arsenals Limited to re-establish operations at a level consistent with foreseeable needs of the armed services. This new level, involving a lower production rate and reduced employment, is expected to continue for the next few years, or until the requirements of our armed forces or those of our allies should demand large volume deliveries.

The crown company is currently adjusting its staff to the new production rate and any re-employment of staff released during this process would depend, of course, upon the extent of future ammunition requirements.

Officers of the company and of the Department of Defence Production continue to look for opportunities to employ the unique capabilities of this plant, as well as other plants of the corporation.

RESEARCH INTO RADIOACTIVE LEVELS

Question No. 139—**Mr. Cameron (Nanaimo-Cowichan-The Islands):**

1. Has the Department of National Health and Welfare established any research program to establish the levels of radioactive material falling on Canada as a result of nuclear testing?

2. Has the department undertaken any research as to the threshold of danger to human life and health in regard to any of these radioactive substances?

3. If not, on what research facilities does it depend for its information?

Mr. Haidasz: 1. Yes, the department has a comprehensive program designed to determine the levels of radioactive fall-out in Canada as a result of nuclear testing.

The program involves: air sampling (24 stations, daily collection and analysis); precipitation sampling (24 stations, monthly collection and analysis); soil sampling (23 stations, annual collection and analysis); milk sampling (major dairies in 16 cities, three times a week collection, weekly analyses for iodine 131 and monthly analyses for strontium 90 and cesium 137); wheat sampling (nine major wheat producing areas, annual crop samples and analysis); and human bone sampling (collected from hospitals across Canada, as available).

2. The department is engaged in studies which will make it possible to make better estimates of the radiation dose resulting from radioactive fall-out.

3. The department has for many years used the recommendations of the international commission on radiological protection as the basis for evaluating radiation levels. Recommendations of other recognized authoritative bodies such as the United States federal radiation council are used when applicable. Members

of the department are also in close touch with recognized scientists in this field in this and other countries.

REFINANCING OF N.H.A. MORTGAGES TO COVER IMPROVEMENTS

Question No. 140—**Mr. Scott:**

1. Was the Minister of National Revenue interviewed by the Ontario retail lumber dealers association with a view to the introduction of a plan for refinancing N.H.A. mortgages to cover home improvements and, if so, what was the nature of the minister's response to the said proposal?

2. Does the government intend to introduce at the present session legislation to implement this proposal?

Mr. Garland: 1. No.

2. As announced in the speech from the throne, various aspects of the National Housing Act are being considered and any amendments will be announced in due course.

FLAGS FLOWN BY ARMED FORCES

Question No. 142—**Mr. Matheson:**

What flag, or flags, were flown by the armed forces of Canada in world war I and world war II, and upon what authority?

Mr. Hellyer: During world wars I and II, the ships of the R.C.N. wore the white ensign and the Canadian blue ensign under authority of order in council P.C. 2843 dated 16 December 1911, the adoption of these ensigns having been ratified at the imperial conference in 1911.

During world war I, the Canadian army flew the union jack.

The red ensign, bearing the 1921 approved shield of the arms of Canada, was subsequently approved by P.C. 134 in 1924 for display outside of Canada on Canadian government property.

During world war II, the following flags were flown by the Canadian army:

(a) The union flag (jack) which was the flag officially prescribed in King's Regulations and orders, 1939, for the Canadian army until superseded by the Canadian red ensign;

(b) The Canadian red ensign was authorized by Canadian army routine order 4021 dated 22 January 1944 to be flown at all units of the Canadian army serving with the forces of other nations.

(c) The Canadian red ensign was authorized by Canadian army overseas routine order 4582 dated 10 May 1944, to be flown overseas on all appropriate occasions by formations and units when serving in the same command, formation or area with or in proximity to British, dominion or allied forces;

(d) A distinctive Canadian army battle flag was authorized by the cabinet and militia council on 7 December 1939, for the commander of the senior Canadian formation overseas and was assigned to the commander first Canadian infantry division when proceeding overseas. This flag is known to have been used on one or two occasions in 1940 in Britain. The flag was a white ensign with the union flag in the upper corner next to the mast; in the centre of the flag, a large sprig of three red maple leaves and in the upper corner at the fly end were three golden fleur-de-lis on a blue roundel.

The R.C.A.F. was not in existence in world war I. In 1923 the Canadian air force was authorized to fly the ensign adopted by the R.A.F. This assent was contained in dispatch 578 of 22 October 1923 from the secretary of state for the colonies to the Governor General.

On 5 July 1940 royal assent was given to alter slightly the design of the ensign as flown by the R.C.A.F. by substituting a small red maple leaf for the red centre roundel. This ensign was flown by the R.C.A.F. in world war II.

*MODIFICATIONS IN GERMANY TO CF-104 PLANES

Question No. 145—**Mr. Rynard:**

1. With regard to the CF-104 aircraft shipped to Canadian air bases in Zweibrücken, Germany, did these aircraft require modifications in the latter part of 1962?

2. If so (a) why were these modifications not made in Canada prior to shipment of these aircraft overseas (b) what will be the total cost of these modifications (c) will these planes be in a state of combat readiness prior to June 1963 (d) of what nationality are the tradesmen engaged on these modifications (e) what, if any, will be the total wages paid to other than Canadian workers?

Mr. Hellyer: Modifications were required to be carried out on CF-104 aircraft delivered in the latter part of 1962 to R.C.A.F. No. 1 division base at Zweibrücken, Germany.

2. (a) If the modifications had been carried out in Canada, there would have been delay in the agreed schedule of delivery of these aircraft to the air division. The modifications were required to improve the operational capability of the aircraft which had been test flown in Canada prior to delivery to Europe.

(b) $285,000 including $150,000 for the production of the modification kits in Canada.

(c) The aircraft have been modified and are fully capable of meeting their role.

(d) Canadian and British.

(e) $72,000.

PER CAPITA INCOME

Question No. 146—**Mr. Caouette:**

By provinces, what was the average per capita income in 1960, 1961, and 1962?

Questions

Mr. Pepin: Personal income per person, by provinces, 1960, 1961 and 1962:

	1960	1961	1962
	$	$	$
Newfoundland	879	921	972
Prince Edward Island	990	971	1,009
Nova Scotia	1,166	1,205	1,245
New Brunswick	1,046	1,062	1,107
Quebec	1,308	1,361	1,417
Ontario	1,800	1,851	1,938
Manitoba	1,549	1,522	1,696
Saskatchewan	1,475	1,241	1,690
Alberta	1,555	1,608	1,687
British Columbia	1,783	1,817	1,896
Yukon and Northwest Territories	1,333	1,243	1,205
Canada	1,534	1,563	1,658

BURNABY, B.C. ARMOURY

Question No. 147—**Mr. Douglas:**

Is consideration being given to the building of an armoury in Burnaby, B.C., and if so (a) when (b) at what location will it be built (c) what will be the total cost and (d) how soon will a call for tenders be advertised?

Mr. Hellyer: Consideration has been given to the construction of an armoury at Burnaby, B.C., and certain preliminary planning has been done, but no definite plans have been made for its construction.

MILK SUBSIDY

Question No. 149—**Mr. Pigeon:**

1. In what year did the government initiate the subsidy of 25 cents per hundredweight for milk?
2. What was the amount of the subsidy paid, by provinces, for each year?

Mr. Beer: 1. The subsidy of 25 cents per hundredweight on milk used for manufacturing purposes to eligible producers who did not participate in the fluid milk market was instituted in May, 1959.

2. The amount of subsidy, by province for each fiscal year was as follows:

Province	1959-60	1960-61	1961-62	*1962-63
Prince Edward Island	76,090	84,129	75,799	70,034
Nova Scotia	12,141	14,846	13,358	14,867
New Brunswick	31,436	37,294	41,203	32,316
Quebec	4,731,191	5,016,757	5,852,139	5,408,045
Ontario	5,825,966	5,898,214	6,313,786	5,800,794
Manitoba	38,887	46,576	52,690	49,429
Saskatchewan	15,513	11,561	3,046	2,092
Alberta	186,835	243,767	244,611	295,642
British Columbia	33,258	36,427	32,277	249,800
Total	$10,951,317	$11,389,571	$12,628,909	$11,923,019

*Incomplete.

HIGHWAY CROSSING OF SHUBENACADIE RIVER, N.S.

Question No. 150—**Mr. Kennedy:**

Have any representations been received from any individuals or organizations requesting that the federal government underwrite all or most of the cost of a highway crossing of the Shubenacadie river in the vicinity of Maitland in Nova Scotia?

Mr. Badanai: Yes, from Hon. G. I. Smith to Hon. Robert Winters on April 23, 1957, and from Mr. Cyril F. Kennedy, M.P. to Hon. H. C. Green on December 5, 1957.

SHUBENACADIE, N.S., POST OFFICE FACILITIES

Question No. 151—**Mr. Kennedy:**

What consideration is the government giving to new or expanded post office facilities at Shubenacadie, Nova Scotia?

Mr. Badanai: Tenders have been called for a small addition to be erected at the rear of the existing federal building for use as a mail lobby.

EXPENDITURES TO ENCOURAGE SPORTS

Question No. 157—**Mr. Langlois:**

1. What was the total amount spent by the federal government during the fiscal years ended 1961-62-63 for the encouragement of sports, indicating totals received by each province?
2. What provinces have signed agreements with the federal government to benefit under this program?

Mr. Haidasz: 1. Expenditures under the Fitness and Amateur Sport Act, which came into force on December 15, 1961 were: 1961-62, $229,641; 1962-63, 981,270.

Agreements with the provinces covering the payment to them of federal grants under the act were first signed in 1962-63. The amounts paid to the provinces in that year were:

Newfoundland	$30,671.08
Prince Edward Island	30,585.59
Nova Scotia	31,526.64
New Brunswick	27,328.36
Quebec	Nil
Ontario	51,405.50
Manitoba	36,946.63
Saskatchewan	34,680.58

Alberta	34,612.19
British Columbia	34,685.69
Northwest Territories	22,381.10
Yukon	20,957.05

2. All provinces except Quebec signed agreements for the year 1962-63.

(Translation):

C.B.C. PAYMENTS TO STATION CKLD, THETFORD MINES, QUE.

Question No. 159—**Mr. Langlois:**

What federal monies were granted to CKLD radio station, Thetford Mines, which has been directly connected with the C.B.C. since its establishment?

Mr. Pickersgill: I am advised by the C.B.C. that, if the question refers to monies granted to that station for broadcasting of C.B.C. sustaining programs, the answer is: nil.

(Text):

FARM LOANS, MEGANTIC CONSTITUENCY

Question No. 160—**Mr. Langlois:**

1. How many farm loans were granted in the electoral district of Megantic in 1962, and how many applications were received?
2. What is the total amount of loans granted?

Mr. Beer: The Farm Credit Corporation reports that statistical records are not maintained by electoral districts. However, in the municipal county of Megantic, which approximately coincides with the electoral district of Megantic, the answer is:

1. 10 farm loans; 22 applications.

2. $126,700.

(Translation):

GOVERNMENT BONDS HELD BY INDIVIDUALS

Question No. 162—**Mr. Langlois:**

1. What is the total value of the government bonds held by individuals in Canada?
2. What amount of interest was paid on these bonds in 1962?
3. What proportion of the total purchasing power of Canada do these bonds constitute?

Mr. Benson: 1. Individuals hold government securities in the form of Canada savings bonds and in the form of market issues. Individuals also have funds in various financial institutions and pension funds which in turn hold government securities.

The amount of outstanding Canada savings bonds, which can be held only by individuals who are Canadian residents, is published each week by the Bank of Canada and as at May 22, 1963 was $4,491 million. There is no basis for a direct estimate of individuals' holdings of market issues which can be held by all types of investors and which can be traded freely. The most recent detailed estimates for the distribution of government of Canada securities for those groups of investors for which information becomes available and for the residual holdings appeared in the September 1962 issue of the Bank of Canada Statistical Summary (page 545).

2 and 3. See answer to (1).

(Text):

CONSIDERATION OF RECOMMENDATIONS OF GILL REPORT

Question No. 163—**Mr. Langlois:**

Will amendments to the Unemployment Insurance Act recommended by the Gill report, be referred to a committee of the house for consideration?

Mr. Byrne: As stated previously in the house, it is not the intention of the government to recommend that the Gill report be considered by a committee. However, the government intends to recommend that any proposed legislative changes to the present unemployment insurance system be considered by a committee at the appropriate stage.

WINTER WORKS PROGRAM—GRANT TO THETFORD MINES, QUE.

Question No. 164—**Mr. Langlois:**

1. What amount has been granted to the city of Thetford Mines, P.Q. under the winter works program for the 1962-63 season?
2. What part of this sum has been allocated to the civic center at Thetford Mines, P.Q.?

Mr. Byrne: 1. Projects submitted by the city of Thetford Mines, P. Q., under the 1962-63 municipal winter works incentive program call for federal incentive payments totalling $114,429.

2. None of this amount relates to the construction of a civic center.

GRANTS TO UNIVERSITIES

Question No. 165—**Mr. Langlois:**

What amount of federal funds was allocated to Canadian universities during the fiscal year ended March 31, 1962, and of this amount what portion was received by universities in the province of Quebec?

Mr. Pepin:

	Canada	Quebec
Operating grants paid through Canadian universities foundation	$19,360,080	Nil (1)
Capital grants paid from the Canada Council capital grants fund	6,237,504	2,186,148
Research grants acknowledged by reporting institutions	Not available	
Loans made by Central Mortgage and Housing Corporation	20,251,000	10,702,000

Questions

(1) The Federal-Provincial Tax-Sharing Arrangements Act provides that any provincial government may give assistance to universities at a per capita rate at least equivalent to aid for the other provinces and in return receive an abatement of 1 per cent of corporation income tax. In this year Quebec again took advantage of this act and received the appropriate abatement of $7,888,816 equivalent $1.50 per capita of provincial population.

CONSTRUCTION OF PENITENTIARY, ST. PIE DE BAGOT, QUE.

Question No. 166—**Mr. Ricard:**

On what date does the Department of Public Works expect to begin construction, on behalf of the Department of Justice, of a medium security penitentiary at St. Pie de Bagot, as announced by the Minister of Justice on September 18, 1961?

Mr. Macdonald: Subsequent to the disturbance at St. Vincent de Paul penitentiary, it was decided to substitute a maximum security institution for the medium security institution proposed for St. Pie de Bagot, the institution to be sited north of the St. Lawrence for ease of access from St. Vincent de Paul penitentiary. The St. Pie de Bagot site is being retained for future use by the federal government.

INTEREST ON FEDERAL DEBT

Question No. 168—**Mr. Mather:**

1. What was the amount in dollars paid in interest on the federal debt in the fiscal year 1957?
2. What was the amount in dollars paid in interest on the federal debt in the fiscal year 1962?

Mr. Benson: 1. $520.2 million.

2. $802.9 million.

BUTTER IN STORAGE

Question No. 169—**Mr. Mather:**

1. What was the total quantity of butter in government storage during May 1960, 1961, 1962, and 1963?
2. What was the annual cost of storing this butter?
3. Is consideration being given to reducing this surplus of butter and this storage cost by making butter available to senior citizens at minimum prices?

Mr. Beer: 1. Agricultural stabilization board stocks (pounds) at May 1st

	Butter	Butter Oil
1960	69,377,544	—
1961	72,253,957	24,620,382
1962	64,365,558	81,390,798
1963	88,383,736	81,702,162

2. Annual cost of storing agricultural stabilization board butter and butter oil—fiscal years.

1960-61	$2,863,277.79
1961-62	$3,960,325.50
1962-63	$4,422,361.24

3. Various disposal and utilization programs have and are being considered but no final decision has been reached.

[Mr. Pepin.]

TRAVEL ALLOWANCE TO TRANSPORT DEPARTMENT EMPLOYEES, TORONTO AIRPORT

Question No. 175—**Mr. Smith:**

Is a daily travel allowance paid to any Department of Transport employees working at Toronto international airport; if so, on what basis, and to what classification of employees is it paid?

Mr. Cantin: (a) A daily travel allowance of 65 cents per working day or shift per employee is paid.

(b) This allowance is paid to cover extra zone fare beyond the normal city street car or bus fares incurred in travelling between an employee's place of residence in Toronto and vicinity and his place of employment at the Toronto international airport provided the distance is five miles or more from the place of residence to the place of employment.

(c) This allowance is paid to all employees of the Department of Transport, both casual and classified, provided they meet the criteria indicated in paragraph (b).

CANADIAN ARMY BADGE

Question No. 179—**Mr. Matheson:**

Does the Canadian army have a distinguishing badge and, if so, what is that badge, when, and how was such badge authorized and approved?

Mr. Hellyer: Yes. The design includes the crown, crossed crusaders swords and three red maple leaves on one stem. The badge was agreed to by the minister of national defence, concurred in by the Governor General and approved by His Majesty, King George VI, in February 1947, and subsequently registered at the college of arms in London, England, as the design for the Canadian army badge.

RECOGNITION OF COMMON LAW WIFE

Question No. 181—**Mr. Fisher:**

1. Is the common law wife deemed to be a dependant for the purposes of income tax payments?
2. Is the common law wife deemed to be a dependant for the purpose of payments by the unemployment insurance commission and, if not, has the government given consideration to the provision of such payments?

Mr. Dupuis: 1. No.

2. No.

LOUISBURG MUSEUM—EMPLOYMENT OF JOSEPHINE POPE

Question No. 183—**Mr. Muir (Cape Breton North and Victoria):**

1. Has Miss Josephine Pope been employed at the Louisburg museum for the past twenty or more seasons and, if so, will she be re-employed during the coming season?

2. If Miss Pope is not to be re-employed, what is the reason for this decision?

Mr. Turner: 1. Department records indicate that Miss Josephine Pope has been seasonally employed (May to October) at least since May 15, 1950. Earlier records are not available. She will not be re-employed this year.

2. Miss Pope has passed the normal retiring age for the public service.

WEST ARICHAT, N.S., LIGHTKEEPER

Question No. 184—**Mr. Muir (Cape Breton North and Victoria):**

Has the Department of Transport removed, or is it planning to remove, the lightkeeper from his position at West Arichat, Richmond county, Nova Scotia, and, if so, for what reason?

Mr. Cantin: The West Arichat light consists of two, forming a range, and the equipment is automatic. Accordingly there is no lightkeeper as such, but there is a caretaker who changes light bulbs as required and can observe the operation of the lights at night from his residence.

The lighthouse structures are beyond repair and it is proposed to demolish them and discontinue the lights which no longer serve the traffic they were built for in 1904. Improvement of the light at Crichton head, distant three quarters of a mile, should serve present day navigation adequately.

FLUID MILK PROCESSED INTO BUTTER AND CHEESE

Question No. 185—**Mr. Pigeon:**

During the last three years, by provinces, what quantities of fluid milk were used for (a) cheese processing and (b) butter processing?

Mr. Beer: See attached table.

QUANTITIES OF FLUID MILK USED IN CHEESE AND BUTTER PROCESSING, BY PROVINCE, 1960, 1961 AND 1962

Province	Milk Equivalent of Cheese[1]			Milk Equivalent of Butter[2]		
	1960	1961	1962	1960	1961	1962
	'000 lb.	'000 lb.	'000 lb.	'000 lb.	'000 lb.	'000 lb.
Prince Edward Island	11,308	9,636	9,801	122,546	135,907	138,692
Nova Scotia	—	—	—	84,544	91,868	88,288
New Brunswick	7,755	6,182	5,533	169,369	177,161	163,355
Quebec	462,075	551,351	548,311	2,895,306	3,260,322	3,381,932
Ontario	824,221	833,419	826,104	1,998,266	2,223,843	2,370,093
Manitoba	7,788	8,203	9,145	579,805	591,505	599,157
Saskatchewan	3,212	330	—	655,481	664,256	637,790
Alberta	19,888	20,141	19,085	873,709	957,458	910,915
British Columbia	11,077	13,398	11,033	118,404	137,592	168,831
Totals	1,347,324	1,442,660	1,429,012	7,497,430	8,239,912	8,459,053

[1] Includes all types of cheese except the milk equivalent of cream used in creaming cottage cheese.

[2] Calculated on basis of 23.4 pounds of milk per pound of butter. Both whole milk and cream are bought for processing into butter but data on exact quantities of each are not available.

*BONUS ON CHEDDAR CHEESE

Question No. 186—**Mr. Doucett:**

1. How much will the 5 cent increase on milk for cheddar cheese cost the government on the 1962 production?

2. Has the government cut or does it contemplate cutting the bonus on export quality cheddar cheese; if so, when will it take effect, and what saving will effect on the 1962 export figures?

Mr. Beer: 1. Assuming the same level of cheddar cheese production in 1963 as in 1962 and the same proportion of eligible milk being used for this production, the cost of the 5 cent increase on eligible milk used for the production of cheddar cheese will amount to $641,300, approximately.

2. There has been no cut in the bonus or premium on export quality cheddar cheese, however, the assistance on the movement of cheddar cheese into export has been reduced by 1 cent per pound, effective on cheese manufactured after May 1, 1963. Assuming the same amount of export in 1963 as in 1962, the amount of saving would be $260,576.

Questions

(Translation):

ABITIBI—ACCESS ROADS, QUE.

Question No. 187—**Mr. Laprise:**

1. What amount has the Department of Forestry contributed, under the joint program, for the forest access roads in the counties of Vassal, Bourque, Mazarin and Megiscane during the 1962-63 fiscal year?

2. During the winter of 1962-63, how many men were employed (a) at clearing the right of way and (b) construction, of each of these roads?

Mr. Nicholson:

1. Projects	Federal contribution 1962-63
Access road Villebois and Bourque	$92,304.30
Access road Desboues-Mazarin	25,914.49
Megiscane road	27,816.30
Vassal road-Abitibi	5,604.32

2. Projects	Employees Clearing	(1962-63) Construction man-days
Access road Villebois and Bourque	(Done by owners of local saw mills. No clearing rights required).	63-1,491
Access road Desboues-Mazarin		10- 549
Access road Megiscane		26- 529
Access road Vassal-Abitibi		8- 106

No information is available with regard to winter and summer work.

Employment figures are for the 1962-63 fiscal year.

(Text):

FRASER RIVER FLOOD FUND

Question No. 193—**Mr. Howard:**

1. Was any money left unexpended from the fund established for the 1948 Fraser river flood and, if so, how much and in whose possession?

2. What requirements must be met in order that this money may be used for other floods or the results thereof?

Mr. Pickersgill: I wonder if the hon. member has in mind the Red river rather than the Fraser valley flood. If he could take note of this observation and perhaps amend his question I think it would be answerable, if that is what he means.

Mr. Knowles: It will be drawn to the hon. member's attention.

Question stands.

[*Later:*]

Mr. Knowles: I wonder if the Secretary of State would also take another look at question No. 193. The Red river flood was in 1950. There was a Fraser river flood in 1948.

[Mr. Hays.]

Mr. Pickersgill: I agree with the hon. member. I remember the dates of both floods very well, but I do not think there was any fund in connection with the Fraser river flood—any fund which was consolidated in such a way as to make the federal government answerable for it. I think it is probably the other flood the hon. member means.

ALERT BAY, B.C., FEDERAL BUILDING

Question No. 201—**Mr. Barnett:**

1. Has the Department of Public Works acquired property for the site of a new federal building at Alert Bay, B.C., and, if so, have tenders been called for the removal of existing buildings from such a site in preparation for new construction?

2. If not, when is it expected that such a call for tenders will be issued?

3. Have plans been prepared for the erection of a building at such a site and, if so, what is the size of the proposed building, how much space will be provided for post office purposes, what other branches of the federal government services will be housed in this building, and how much space has been allotted to them?

Mr. Badanai: 1. Yes; property has been acquired and tenders called for the removal of existing buildings but no contract has yet been awarded.

2. Answered by (1) above.

3. Plans for the federal building at Alert Bay are now completed. It will be a one storey structure with basement with dimensions of about 59 feet by 62 feet. The following office space will be provided:

Post Office Department	1,250 sq. ft.
Citizenship and immigration department (Indian affairs)	1,168 sq. ft.
Fisheries department	774 sq. ft.

LIVES LOST IN FIRES

Question No. 202—**Mr. Mather:**

How many lives were lost in dwelling fires in Canada in the years 1960, 1961 and 1962, and how many such fires were attributed to burning cigarettes?

Mr. Badanai: 1960, 442; 1961, 417; 1962, figures not yet available.

The number of dwelling fires attributed to burning cigarettes is not known. The number of lives lost through smokers' carelessness was 69 in 1960 and 79 in 1961.

ARDA PROJECTS APPROVED, MANITOBA

Question No. 203—**Mr. Stefanson:**

1. How many projects has the government approved in the province of Manitoba under the Agricultural Rehabilitation and Development Act?

2. What is the nature of each of these projects, on what dates were agreements signed, and what is the estimated cost of each?

3. What share of the cost of each project is to be borne by (a) the federal government (b) the provincial government?

Mr. Beer: 1. Eighteen.

2. Four projects (evaluated at $85,000, $95,000, $95,000 and $35,000) involve the acquisition of marginal agricultural lands for alternate forestry, wildlife and recreational use with a total cost of $310,000; two projects (evaluated at $43,200 and $38,400) involve the reconstruction of main drainage systems in agricultural areas with a total cost of $81,600; seven (evaluated at $24,800, $62,000, $3,600, $36,000, $2,400, $13,500 and $23,000) are research projects in the utilization and productivity of lands with a total cost of $165,300; five (evaluated at $10,700, $9,000, $7,000, $9,900 and $15,000) involve community and economic studies of the Interlake region of Manitoba with a total cost of $51,600.

These projects were approved during the past two months, following the signing of agreements by Canada and Manitoba on March 15, 1963 under which individual projects can be initiated.

3. The federal government is sharing equally with Manitoba in the six projects involving the acquisition of marginal agricultural lands and the reconstruction of drainage systems. In five of the research projects in the utilization and productivity of lands the federal government is sharing equally with Manitoba.

In the two research projects evaluated at $13,500 and $15,000 and in the five community and economic studies of the Interlake region, the federal government is paying 100 per cent of the cost.

Questions

NORTHERN ALBERTA INSTITUTE OF TECHNOLOGY

Question No. 204—**Mr. Lambert:**

1. Did the Minister of Labour recently attend the official opening of the northern Alberta institute of technology in Edmonton, and at whose invitation?

2. What has been the total contribution of the federal government to the cost of construction and equipping of this institute, as at the latest available figures?

3. Are there more payments anticipated toward these costs and, if so, in what amount?

4. What is the total cost of the project as submitted for approval by the Minister of Labour?

Mr. Byrne: 1. Yes, at the invitation of the minister of education for the province of Alberta.

2. Total claims paid as of March 31, 1963 amounted to $8,955,534.

3. Yes, approximately $2,394,098.

4. Total cost $15,132,843. Estimated federal share $11,349,632.

VOCATIONAL TRAINING PROJECTS APPROVED, ALBERTA

Question No. 205—**Mr. Lambert:**

1. Under the Technical and Vocational Training Assistance Act, how many projects have been approved for the province of Alberta from December 1961 to March 31, 1963?

2. What are the locations of each of these projects, the individual approved cost thereof and the related contribution by the federal government?

Mr. Byrne: 1. 21 projects.

2. See table 1 attached.

PROJECT SUMMARY

under

TECHNICAL AND VOCATIONAL TRAINING AGREEMENT

April 1, 1961 to March 31, 1963

PROVINCE OF ALBERTA

Location	Name of School	New Student Places Provided	Total Estimated Cost	Estimated Federal Cost
			$	$
Bowness	Bowness composite high school	500	1,939,000	1,084,500
Calgary	C.V.T. centre 2A (trade)		286	214
	North Hill academic and vocational school (comp)	800	2,898,638	2,173,978
	St. Francis vocational high school	500	874,564	655,923
	South Calgary academic and vocational school (comp)	600	2,295,201	1,721,401
	Southern Alberta institute of technology	450	2,725,354	2,044,015
Camrose	Camrose composite H.S.	280	936,066	702,050
Desmarais	Desmarais vocational school		30,800	23,100
Drumheller	Drumheller vocational H.S.	400	1,573,121	1,179,841
Edmonton	Bonnie Doon composite high school		43,000	32,250
	C.V.T. commercial centre		4,420	3,315
	Eastglen composite high school		42,000	31,500
	Northern Alberta institute of technology	2,500	15,132,843	11,349,632
	Queen Elizabeth composite high school		40,000	30,000
	Ross Sheppard composite high school	375	893,443	670,083

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PROVINCE OF ALBERTA—*Concluded*

Location	Name of School	New Student Places Provided	Total Estimated Cost	Estimated Federal Cost
			$	$
Edmonton (Continued).	St. Joseph's vocational high school (comp.)....	540	2,019,580	1,514,685
	Strathcona comp. high school.....		34,000	25,500
	Victoria vocational high school.....	1,000	4,890,850	3,668,137
Fairview.....	Fairview school of agriculture.....		18,281	13,711
Fort Chipewyan.....	Fort Chipewyan (Indian) school.....	75	232,272	174,204
Fort MacMurray.....	Peter Pond (Indian) school.....	75	198,024	148,518
Grande Prairie.....	Grande Prairie vocational high school.....	400	1,662,159	1,246,619
Grouard.....	Grouard comp. high school.....	300	1,050,177	787,632
Jasper Place.....	St. Francis Xavier high school (comp.).....	150	361,200	270,900
Lethbridge.....	Lethbridge collegiate inst.....		191,600	143,700
	Lethbridge junior college and vocational school (trade).....	330	1,191,862	893,896
	Winston Churchill collegiate institute.....		14,000	10,500
Medicine Hat.....	Medicine Hat composite high school.....	500	2,396,762	1,797,571
Olds.....	Olds school of agriculture.....		350,497	262,873
Red Deer.....	Red Deer vocational high school (comp.).....	400	2,118,518	1,588,889
Stettler.....	Stettler composite high school.....	300	977,906	733,430
Vermilion.....	Vermilion school of agriculture.....		21,995	16,497
West Jasper.....	West Jasper Place (comp. high school).....	1,100	2,666,514	1,995,651
TOTAL.....	April 1, 1961 to March 31, 1963.....	11,575	49,824,933	36,994,715

*FEDERAL LOAN FOR POWER PLANT, NEWCASTLE CREEK, N.B.

Question No. 210—**Mr. Fairweather:**

What is the amount of the loan approved by Canada under the provisions of the Atlantic Provinces Power Development Act to assist the New Brunswick electric power commission to build the new coal burning thermal power plant now under construction at Newcastle Creek, Queen's county, New Brunswick

Mr. Laing: The answer is $10 million.

FREIGHT SUBSIDY ON MARITIME COAL

Question No. 211—**Mr. Fairweather:**

What consideration is being given by the government for increasing the freight subsidy paid for movement of New Brunswick and Nova Scotia coal to other parts of Canada?

Mr. Benidickson: The assistance paid on the movement of New Brunswick and Nova Scotia coal to other points in Canada has been and remains the amount necessary in each case to meet the competition of imported coal or of imported residual oil.

Consideration is not being given at present to paying more than is necessary to meet that competition.

DELAY IN PAYING PART TIME EMPLOYEES, TORONTO POST OFFICE

Question No. 221—**Mr. Scott:**

Has the government received any complaints concerning delays of up to nine days in the preparation of pay cheques for part time employees of the Toronto post office and, if so, are steps being taken to improve staff pay procedures?

Mr. Denis: (a) Yes; (b) yes.

[Mr. Byrne.]

BUTTER

Question No. 222—**Mr. Thomas:**

1. What was the total amount of butter in the possession of the government on (a) March 31, 1962, (b) March 31, 1963?

2. How much did it cost the government for storage on butter during this period?

3 What did the butter subsidy cost the government during this period?

4. What is the estimated value of the butter stocks now in the possession of the government?

Mr. Beer: 1. The total amount of butter in possession of the government on, (a) March 31, 1962, was 63,136,716 pounds of butter and 76,515,840 pounds of butter oil, and (b) March 31, 1963 was 90,852,683 pounds of butter and 81,702,162 pounds of butter oil.

2. The cost to the government for storage of butter and butter oil during the fiscal year 1962-63 was $4,442,361.24.

3. The cost of the butter subsidy to the government for the fiscal year 1962-63 was $42,272,807.00.

4. As the agricultural stabilization board is offering its holdings of butter at 52 cents per pound and butter oil at 65 cents per pound, the estimated value of these stocks at May 1, 1963 was 88,363,736 pounds butter at 52¢: $45,949,142; 81,702,162 pounds butter oil at 65¢: $53,106,405. Total: $99,055,547.

LAKE ST. LOUIS WATER LEVEL

Question No. 232—**Mr. Rock:**

1. Has the attention of the government been drawn to the low water level of lake St. Louis?

2. What, if any, is the government's responsibility with regard to the maintenance of an adequate water level on lake St. Louis?

3. What steps has the government taken to ensure an adequate water level on lake St. Louis?

Mr. Turner: 1. The government is concerned about the low supply situation in the Great lakes-Ottawa river drainage and the consequent low water levels in the great lakes and lake St. Louis, and officials are accordingly in daily touch with the situation.

2. The government does not have any responsibility for maintaining an adequate water level on lake St. Louis. It does have a responsibility under the Navigable Waters Protection Act to review plans for structures in navigable waters and to ensure that the proposals are acceptable before issuing a permit under that act. The government also has a responsibility to ensure that regulation of St. Lawrence river outflow from lake Ontario is conducted in accordance with an approved plan that is designed to improve navigation and power production while protecting foreshore interests on lake St. Louis and in other areas.

3. With regard to Ottawa river flows, the government has obtained an agreement from the Quebec hydroelectric commission that the works at Carillon will be maintained and operated in such a way as to protect fully the paramount interests of navigation upstream and downstream of the structure. With regard to the flows out of lake Ontario, the plan of regulation approved by the government resulted in a substantial increase in St. Lawrence river flow into lake St. Louis with a corresponding increase in the level of that lake commencing at midnight on 31 May.

REPRESENTATIONS RESPECTING GREAT LAKES LABOUR DISPUTE

Question No. 237—**Mr. Scott:**

Have any representations been received by the government from either the Seafarers International Union of Canada or the Upper Lakes Shipping Limited and, if so (a) what was the nature of such representations (b) from whom were they received (c) what, if any, was the response of the government to such representations?

Mr. Byrne: Yes.

(a) Both the union and the company made representations to the government concerning their positions in matters arising in the dispute between them.

(b) From the president of Upper Lakes Shipping Limited and from counsel acting for the company and for the S.I.U.

(c) The government has actively sought to ensure that there will be free access to United States ports without impediment or harassment.

Orders for Returns

PRINCE EDWARD ISLAND CAUSEWAY

Question No. 242—**Mr. Macquarrie:**

1. Has the government rejected an application from the government of Prince Edward Island for assistance, under the roads to resources program, in the construction of a causeway at Victoria, P.E.I.?

2. If the proposed causeway project has been rejected, on what grounds was such decision made?

Mr. Turner: 1. No.

2. N/A.

EMIGRATION TO U.S. FROM COMPTON-FRONTENAC CONSTITUENCY

Question No. 247—**Mr. Latulippe:**

During the past ten years, how many persons from the constituency of Compton-Frontenac have left the country for the United States either with a visa or with the intention of residing there permanently?

Mr. Dupuis: There is no government record from which the information requested can be drawn.

QUESTIONS PASSED AS ORDERS FOR RETURNS

DIRECTORSHIPS OF COMPANIES HELD BY CABINET MINISTERS

Question No. 3—**Mr. Knowles:**

1. Are any cabinet ministers directors of any companies, corporations, etc., and, if so, what ministers, of what companies or corporations are they directors, and at what date were any directorships presently held by such cabinet ministers assumed?

2. Did any cabinet ministers resign any directorships on being sworn of the privy council and, if so, which ministers, on what dates, and from what companies or corporations?

NATIONAL CAPITAL COMMISSION ACQUISITION OF LAND

Question No. 12—**Mr. Fisher:**

1. From the 1st day of May, 1960, to the 30th day of April, 1963, were any lands or buildings acquired by the national capital commission in (a) the city of Ottawa (b) the county of Carleton (c) the county of Russell (d) the city of Hull (e) the county of Hull (f) the county of Gatineau?

2. If so, (a) from whom (b) on what date (c) what is the legal description and total acreage of the property in each case (d) what was the total price paid to the vendor or any other persons in respect to the acquisition of each such property (e) for what purpose, either present or future, was each such property acquired, and to what use is each presently being put?

3. At the present time, has the national capital commission any agreements of sale or options for the acquisition of other property, or has it commenced expropriation proceedings for the acquisition of other property in any of the aforesaid cities or counties?

4. If so, (a) what is the legal description and total acreage of each such property (b) from whom is each such property to be acquired (c) what is the total price payable to the vendor or any other person under any such agreement of sale or option in respect of the acquisition of each such property (d) what is the total price which

has been offered to the owner of any such property in respect of which expropriation proceedings may have been commenced (e) for what purpose, either present or future, is each such property to be acquired, and to what use will such property be put?

WHEAT SALES

Question No. 155—**Mr. Olson:**

What were the total sales of wheat for each of the years from 1952 to 1962 to Canada's 15 largest customers (countries)?

FOREIGN PAYMENTS TO AND FROM CANADA

Question No. 158—**Mr. Langlois:**

1. What is the balance of payments due by Canada to foreign countries?
2. What is the balance of payments due by foreign countries to Canada?

ASSISTANCE TO UNIVERSITIES

Question No. 27—**Mr. Caouette:**

1. What amounts have been spent during the last five years to assist (a) universities of Canada (b) universities of the province of Quebec?
2. What amounts have been granted to each of these universities?

HIS HOLINESS THE POPE

ANNOUNCEMENT OF DEATH AND STATEMENT BY PRIME MINISTER

On the orders of the day:

Right Hon. L. B. Pearson (Prime Minister): If, by unanimous consent, we might revert to motions I should like to make an announcement which has just been brought to my attention, a very sad announcement to the effect that His Holiness the Pope passed away shortly before the house convened this afternoon.

On behalf of the government I have sent a message of sympathy to the apostolic delegate and have also issued the following statement which perhaps I may be permitted to read to the house. The statement is as follows:

May I on behalf of the government and people of Canada express my deep and profound sympathy on the death of His Holiness, Pope John XXIII.

During the relatively short period of his pontificate His Holiness won the admiration and deep respect of peoples of all religious faiths. His dedicated service to the cause of Christian unity, to the freedom and welfare of mankind and, above all, to the realization of the ideals of peace, which only recently he expressed so movingly and impressively, set an example for all men.

His loss will be deeply felt in Canada, as it will throughout the world, but we are the richer for the inspiration of his life, his words and his work.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I join with the Prime Minister in the words of sympathy he has expressed. My wife and I had a memorable experience within one week after His Holiness became spiritual head of his church, in that we were received in private audience. I shall always recall that as one of the most impressive privileges which has been mine. In that short half hour he revealed himself as a devout, kindly and, above all, a humble person.

His devotion to the cause of world peace, has, as the Prime Minister said, made him in a few years one of the most renowned popes in modern history, a world voice for peace and the social betterment of all mankind. All of us, without regard to our religious persuasion, recognize him as a leader in Christendom.

Mr. R. N. Thompson (Red Deer): On behalf of our group in this house I join with other hon. members in expressing our sympathy and our support of the message which the Prime Minister has so promptly forwarded on this sad occasion.

In the short four and a half years during which Pope John XXIII was head of his church he made a great contribution to the cause of peace, and convinced men of all faiths around the world of his dedication to the causes he stood for and represented so faithfully, and without equivocation, day after day. Thus we join not only with the hon. members of this house but with peace loving, Christian people and men of all faiths around the world who at this time mourn his passing.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, we in the New Democratic party would like to associate ourselves with the expression of sympathy which has been placed before the house by the Prime Minister at the passing of His Holiness Pope John XXIII. It is undoubtedly true that history will place the late Pope among the great Christian leaders of our time. His two encyclicals, Mater et Magistra and Pacem in Terris, are mountain peaks in Christian expressions of the desire for social justice and peace in our time. Very few Christian leaders have reached out as he has to embrace all mankind and all men of good will, and I think when the story of his life is written it will be summed up in the simple words "Blessed are the peacemakers, for they shall be called the sons of God".

POWER

COLUMBIA RIVER—INQUIRY AS TO MEETING WITH B.C. PREMIER

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister whether he is in a position

to give us any statement regarding the conversations and discussions which have taken place between him and the premier of British Columbia; whether there has been as between them any tacit agreement arrived at as to changes which might be asked for in the treaty; and whether, if there be, would such changes require implementation or further implementation by the United States congress.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I had the privilege of meeting the premier of British Columbia this morning with two of his colleagues and advisers. I was accompanied by the Secretary of State for External Affairs and by my colleagues and advisers. After the preliminary discussions which I had with Mr. Bennett, the discussions on the matter to which the Leader of the Opposition has referred were continued under the chairmanship of my hon. friend the Secretary of State for External Affairs. Those discussions, which were conducted in a very friendly and I believe constructive spirit, Mr. Speaker, will be continued for at least the rest of the day and perhaps tomorrow, and at the end of the discussion I should hope it would be possible to make a report to the House of Commons.

EXTERNAL AFFAIRS

RUSSIAN PROPOSAL THAT MEDITERRANEAN BE MADE NUCLEAR-FREE ZONE

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Prime Minister. In view of a report in the Montreal *Gazette* of June 1 that "the United States told the disarmament conference the Soviet demand for a nuclear-free zone in the Mediterranean is nonsensical propaganda", does the Prime Minister still hold the view he expressed on May 22 that the Soviet proposal "is a very important proposal indeed"?

Right Hon. L. B. Pearson (Prime Minister): Yes, Mr. Speaker. I think any proposal coming from the Soviet Union is likely to be an important proposal, and I think this was an important proposal. As my hon. friend gave me notice that he was going to raise this question, perhaps I might say a word about it. Indeed, I indicated that I would when it came up previously.

Although it is not possible to state one over-all policy with respect to the question of denuclearised zones, it should be recognized that any such proposal must meet at least three criteria. First, it should be acceptable to the countries of the geographical area in which the zone would be located. That seems to be obvious. Second, it should include some arrangement for verifying that the commitments undertaken would be carried out. And third, it should be consistent with the accepted principle that no disarmament measure should create a unilateral advantage for any state or group of states.

As to the first point, Mr. Speaker, the Soviet proposal does not involve Canada directly, though it certainly involves Canada as would any proposal which might have some bearing on the easing of tensions. Therefore, while it does not involve Canada directly we shall have to await the considered reaction of the countries to which it was addressed before we come to a considered conclusion ourselves. The reports we have had so far indicate that it does not have the support of all the countries concerned.

With regard to the second and third criteria, there is no mention of procedures for verifying that obligations undertaken would be carried out; and there has apparently been no attempt to maintain equality and balance among the states concerned. This situation, of course, might be altered in the course of negotiations if negotiations began. I mentioned, for example, in my original reply to the hon. member that it would be interesting to know whether the Mediterranean zone would include the Black sea; the text of the proposal suggests that it does not, and that in fact it involves no territory in which the Soviet Union is directly involved. As such, its effect would be to achieve a unilateral advantage for the Soviet Union, a result which would not be likely to contribute to the relaxation of tension.

Nevertheless, Mr. Speaker, despite these obvious shortcomings and the propagandistic tone and timing of the proposal, I want to assure the house that its exact terms are being given and will be given careful study, as will the reactions of the countries most directly concerned, and that any possibilities it may hold out for constructive steps to reduce the danger of war will certainly be taken into account in determining our final position on this matter.

PAKISTAN—INQUIRY AS TO ASSISTANCE BY CANADA

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister whether, in view of the tragedy which struck the people of East Pakistan, if the government of Canada is prepared to give some assistance to the families of those afflicted in that area of a country which is such a bastion against communism?

Inquiries of the Ministry

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, my hon. friend the Secretary of State for External Affairs, who has already been dealing with this matter, would perhaps answer this question.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the Canadian government has learned with deep regret of the many deaths and severe damage caused in East Pakistan by a cyclone and subsequent tidal wave last week. On May 31 the Prime Minister sent a message to the president of Pakistan to convey to the families of the victims the deep and sincere sympathy of the government and people of Canada. The government is now considering a Canadian government relief contribution to Pakistan to help alleviate the distress caused by this natural disaster suffered by a fellow member of the commonwealth. So far as is known, no Canadian citizens were killed or injured in the disaster.

(Translation):

PREVENTION OF ENTRY OF SABOTEURS FROM CUBA

On the orders of the day:

Mr. Maurice Côté (Chicoutimi): Mr. Speaker, I would like to direct a question to the Minister of Justice or to the Secretary of State for External Affairs.

According to this morning's *Le Devoir*, police are holding eight or nine FLQ terrorist suspects. One of the men apparently has been trained in Cuba. If this news is true, have representations been made to Cuba in order to prevent the entry into Canada of other people of the same kind? If not, what other measures have been taken in that regard?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I shall answer this question tomorrow.

(Text):

CANADIAN MEMBERSHIP IN ORGANIZATION OF AMERICAN STATES

On the orders of the day:

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, I wish to direct a question to the Secretary of State for External Affairs. Would the minister say if there is any basis in fact to the radio report that the Canadian government has made quiet representations with a view to joining the organization of American states?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I know of no representations that have been made, and I can add nothing more to what I said on May 20 in answer to another question on this subject by another hon. member.

GRAIN

INQUIRY AS TO SALARIES OF EMPLOYEES OF COMMISSION

On the orders of the day:

Mr. E. Nasserden (Rosthern): Mr. Speaker, I wonder whether I could direct a question to the Minister of Finance. Could the minister tell us when the remaining categories of the employees of the board of grain commissioners may expect their increase in salaries?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I wonder if the hon. member would be kind enough to ask the question again.

Mr. Nasserden: I would be glad to. Could he tell us when the remaining categories of employees of the board of grain commissioners could expect or will receive their increases in salaries?

Mr. Gordon: Mr. Speaker, I will be glad to look into that matter and give an answer tomorrow or the next day. I have already talked about the whole subject of salary increases, but I will be glad to look into this special case.

SUPPLEMENTARY PAYMENTS ON 1962-63 CROP

On the orders of the day:

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce. Is the minister able to inform the house whether the Canadian wheat board will be in a position to make supplementary payments this year on the farmers' 1962-63 crop?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, may I take this question as notice?

LABOUR CONDITIONS

SUGGESTED EMPLOYMENT OF PERSONS RECEIVING WELFARE ALLOWANCES

On the orders of the day:

Mr. Arnold Webster (Vancouver-Kingsway): Mr. Speaker, I should like to direct a question to the Minister of Labour. In view of the fact that the Canadian federation of mayors and municipalities has endorsed the principle that employable persons should be required to work in return for their welfare allowances, and in view of the possibility of such action resulting in the displacement of regular workmen, will the minister indicate the attitude of the government in regard to this suggested policy?

Mr. J. A. Byrne (Parliamentary Secretary to the Minister of Labour): Mr. Speaker, as the minister is away on an important mission I should like to take a notice of the question and bring it to his attention for an answer at the earliest possible moment.

(Translation):

PUBLIC SERVICE

GLASSCO COMMISSION— IMPLEMENTATION OF THERRIEN REPORT

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Prime Minister. It follows from one I asked the President of the Privy Council some time ago.

Could the Prime Minister tell the house if the government has begun to implement the recommendations contained in Mr. Therrien's report?

(Text):

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the whole question of the recommendations of the Glassco report and the minority report attached to it, the Therrien report, is now under active consideration.

(Translation):

Mr. Pigeon: Mr. Speaker, I have a supplementary question to ask the Prime Minister.

When does the Prime Minister intend to make an official statement and announce that the report submitted by Mr. Therrien will be acted upon?

(Text):

Mr. Pearson: At as early a date as possible, Mr. Speaker.

BUSINESS OF THE HOUSE

REQUEST FOR SETTING UP OF MARINE AND FISHERIES COMMITTEE

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question I would like to direct to the house leader. Considering the several questions of concern now facing the fishing industry, can the house leader give any indication when action will be taken to set up the standing committee of the house on marine and fisheries?

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, conversations are going on at the present time among hon. gentlemen who represent the four parties in the house with a view to reducing, if possible, the over-all size of certain of the committees. I hope those conversations will be concluded today, and I believe my hon. friend from Hull then intends to call together the striking committee as quickly as possible with a view to determining the personnel of these committees. Once that is done a motion will be made in the house to set up these committees without further delay.

TRADE

RED CHINA—SUGGESTED SENDING OF TRADE MISSION

On the orders of the day:

Mr. C. S. Smallwood (Battle River-Camrose): Mr. Speaker, I have a question for the Minister of Trade and Commerce. In view of press reports that Australia has made another very substantial wheat sale to China, and that Australian spokesmen have expressed satisfaction at concluding this arrangement before the Canadian trade mission arrives in China, would the minister consider taking immediate steps to organize and dispatch our delegation by air, without waiting for the slow boat to China next month, in order that Canada may hold its present wheat trade with that country?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, discussions between the Chinese government and the Canadian wheat board have been under way for some time, and today in Hong Kong our mission is meeting with representatives of that country.

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, I have a supplementary question. Has the minister issued any instructions that there shall be secrecy about the personnel on the trade mission to Hong Kong?

Mr. Sharp: No, Mr. Speaker.

(Translation):

ADMINISTRATION OF JUSTICE

QUEBEC—MOUNTED POLICE PATROL OF PLAINS OF ABRAHAM

On the orders of the day:

Mr. Lucien Plourde (Quebec West): Mr. Speaker, I should like to direct a question to the Minister of Justice.

Can the minister tell us if the R.C.M.P. has been put on the alert to protect children against kidnappers, following four kidnappings that took place on the Plains of Abraham, in view of the fact that this park falls under the jurisdiction of the R.C.M.P.?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, I think I have already answered such a question. Although that property belongs to the federal government, it remains that, under the constitution, the municipal

authorities first and then the provincial authorities are empowered to start proceedings against anyone that might have contravened the Criminal Code.

[*Later:*]

Mr. Gerard Laprise (Chapleau): Mr. Speaker, I should like to direct a supplementary question to the Minister of Justice.

Can the minister tell us if at the present time the R.C.M.P. is patrolling the park on the Plains of Abraham?

Mr. Chevrier: No, Mr. Speaker, I am not in a position to answer that question but I will get information on that matter.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Gerard Laprise (Chapleau): Mr. Speaker, I should like to address a question to the Minister of Finance.

Could the hon. gentleman tell us whether the hon. member for Quebec South got a bilingual parliamentary indemnity cheque this month and, if not, has he refused it as he did last year?

(Text):

Hon. Walter L. Gordon (Minister of Finance): No, Mr. Speaker.

Mr. Speaker: I should advise hon. members that it is not customary to address questions, concerning other hon. members, to the ministers.

NATIONAL DEFENCE

FORT CHURCHILL, MAN.—U.S. ROCKET TESTING PROJECT

On the orders of the day:

Mr. Robert Simpson (Churchill): Mr. Speaker, I should like to address a question to the Secretary of State for External Affairs. Can the minister inform the house whether the United States government intends to go ahead with plans, which I am told it has had for some time, to step up to a considerable degree its rocket testing project in the vicinity of Fort Churchill, Manitoba?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I would be glad to take notice of this question and deal with it later.

DISCUSSIONS RESPECTING U.S. AIR FORCE UNITS IN CANADA

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I would like to direct a question to the Minister of National Defence. In view of a report in the Toronto *Globe and Mail* of June 1, that a highly placed U.S. military authority stated the United States is seeking authority to send an increasing number of U.S. interceptor squadrons into Canada on a rotation basis, could the minister now give the house some information about the "informal intimations" he stated on May 29 had been received?

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, I do not think there is anything further I could usefully add at the moment to what I have already said in the house.

Mr. Douglas: As a supplementary question, have any requests been made to the minister or his department to co-operate in the sending of these interceptor squadrons to Canada?

Mr. Hellyer: As the hon. member is no doubt aware the question, of course, is not new. I would like to quote to the house a report made on March 2, 1959, as recorded at page 1515 of *Hansard* for that date, by Hon. G. R. Pearkes, then minister of national defence, who said this:

> In the NORAD agreement about which some remarks were made this afternoon it is written that the squadrons of either side may for a short period or may temporarily move across the boundary and in order to facilitate that there will be certain developments made at some of our air fields particularly in western Canada where we have no defence provided by the R.C.A.F.

There have been some discussions between the armed forces of the two countries, but no proposal has yet come forward to the government of Canada.

NORAD—REPORTED ELECTION COMMENTS BY R.C.A.F. OFFICER

On the orders of the day:

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, on Thursday last I asked the Minister of National Defence a question about statements made by an R.C.A.F. officer in Colorado Springs. I wonder whether he is ready to answer that question now.

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, the hon. gentleman referred to an article that appeared in the newspaper *Le Droit* of Wednesday, May 29, concerning alleged statements by an R.C.A.F. officer at Colorado Springs. At that time I told the hon. member I would look into the matter, and I can now report the following.

Seventeen Canadian newsmen visited NORAD headquarters in Colorado Springs on May 27 for NORAD briefings. In response to a specific question regarding names of Canadian parliamentarians who had ever visited NORAD headquarters, names were mentioned. Apart from this, the briefers and

senior NORAD officers at no time mentioned or named any Canadian political party or individual. In response to questions concerning Bomarc and nuclear weapons, full and factual information was provided by the NORAD officers concerning these weapons.

In view of the above information, the second part of the hon. member's question is not applicable.

Mr. H. W. Herridge (Kootenay West): A supplementary question. Has the minister any information to the effect that the senior Canadian officers at NORAD told these newspapermen that the policy of the government was wrong with respect to nuclear weapons?

Mr. Hellyer: No, Mr. Speaker.

Mr. C. S. Smallwood (Battle River-Camrose): A supplementary question. Is the minister aware that these men said that only two members of parliament had ever visited Colorado Springs? Is he aware of that?

Mr. Hellyer: No, Mr. Speaker.

INDUSTRY

AUTOMOBILES—INQUIRY AS TO RECOMMENDATIONS OF ROYAL COMMISSION

On the orders of the day:

Mr. A. D. Hales (Wellington South): Mr. Speaker, I would like to address a question to the Minister of Trade and Commerce. As a result of the trade negotiations at Geneva, does the government intend to continue with the Bladen plan as implemented by the former government?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I think this is a question that should be directed to the Minister of Finance.

Mr. Hales: May I so direct it, Mr. Speaker.

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, when the government has a statement to make on that policy it will do so, perhaps before very long.

PUBLICATIONS

REPRESENTATIONS RESPECTING U.S. MAGAZINE COMPETITION

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I would like to direct a question to the Minister of Finance, and ask him whether, since he took office, he has received any visitations from Canadian magazine publishers regarding their competitive difficulties with *Time* and *Life* magazines and, if so, has he under consideration incorporating some relief in the budget?

Hon. Walter L. Gordon (Minister of Finance): I have received some representations, Mr. Speaker, and these are being considered at the present time.

FINANCE

SUGGESTED INCREASE IN GOLD IN FOREIGN EXCHANGE RESERVES

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I wish to direct a question to the Minister of Finance. In view of the substantial outflow of gold from the United States at the present time, and the consequent risk of the devaluation of the United States dollar in terms of gold, is the government considering the possibility of holding a greater part of Canada's foreign exchange reserves in metallic gold and a smaller part in U.S. currency, as is done by most of the major western powers?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I thank the hon. member for giving me notice of this question. The government does not believe that the present outflow of gold from the United States involves a risk of devaluation of the United States dollar.

ARTS, LETTERS AND SCIENCES

INQUIRY AS TO PERSONNEL OF ROYAL COMMISSION

On the orders of the day:

Mr. Nicholas Mandziuk (Marquette): Mr. Speaker, I should like to address a question to the President of the Privy Council. It arises out of an article in *Time* magazine of May 17 where he was quoted as saying that the members of the commission to study biculturalism and bilingualism would be named before the end of May. My question is, has the commission been named?

(Translation):

Hon. Maurice Lamontagne (President of the Privy Council): No, Mr. Speaker.

(Text):

Mr. Mandziuk: A supplementary question. Is the minister giving any consideration to naming to this commission representatives from other national groups than the two basic groups of Canada?

(Translation):

Mr. Lamontagne: Mr. Speaker, if the hon. member is willing to wait, his impatience will soon be satisfied.

(Text):

Mr. Mandziuk: A further supplementary question. I think my question is justified because under the terms of reference as set out by the Prime Minister to the premiers of the various provinces, one of the considerations will be the contributions of other nationals

or other cultures. I think this house is interested in knowing whether the contributions of other cultures will be recognized by representation on this commission.

(Translation):

Mr. Lamontagne: Mr. Speaker, I do not believe that it would be in keeping with parliamentary tradition to announce the membership of royal commissions on the orders of the day.

[*Later:*]

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a supplementary question to the President of the Privy Council.

Did the minister not state in Montreal a few weeks ago that this commission would also make inquiries among the other ethnic groups, such as the Italians?

Mr. Lamontagne: I am sure that the hon. member has read the terms of reference which were drawn to the attention of this house.

(Text):

Mr. Speaker: Order. In due course the minister will announce to the house the composition of this commission. It is not in order to anticipate names.

SUGAR

SUGGESTED REDUCTION IN TARIFF

On the orders of the day:

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to direct a question to the Minister of Finance. Is the government giving consideration to reducing the tariff on sugar imports of all kinds so as to reduce the price of sugar, and continuing such reductions until the present inventories in stock are used up?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, as all hon. members know the minister is working on the budget and consideration is being given to the tariff and to all other questions of policy. It would be inappropriate for me to say more at this time.

THE BUDGET

INQUIRY AS TO PROBABLE DATE OF PRESENTATION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask the Minister of Finance if June 13 is the date on which he is going to bring down the budget?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I hope to be able to satisfy the hon. member's curiosity very soon.

(Translation):

DOMINION-PROVINCIAL RELATIONS

FEDERAL POLICY RESPECTING PROVINCIAL JURISDICTION

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the President of the Privy Council.

Following the reply which the Prime Minister gave to the question put by the hon. member for Pontiac-Temiscamingue concerning the municipal development and loan board and provincial authority, must we conclude that the federal government's policy is to decide questions which come under the jurisdiction of the provinces without consulting the latter?

Mr. Lamontagne: No, Mr. Speaker.

Mr. Pigeon: A supplementary question, Mr. Speaker. Could the minister explain the answer he has just given.

(Text):

BREAD

REQUEST FOR INQUIRY INTO PRICE INCREASES

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, last Friday I directed a question to the Minister of Justice which he took as notice, and I wonder if he is ready to answer the question now. The question was to this effect. Having in mind his department's review of increased sugar prices, would his department also concern itself with the recent increases in the price of bread such as took place in Montreal last week?

Hon. Lionel Chevrier (Minister of Justice): Yes, Mr. Speaker, I am ready to reply to the question which, if I read *Hansard* correctly, was as follows:

> Is he aware of the increases in the prices of bread announced simultaneously yesterday by leading bakeries in Montreal and attributed by them partly to the higher cost of sugar and, if so, will he have his department look into this matter?

The reply I have to make is as follows. The director of investigation and research under the Combines Investigation Act informs me that he has noted press reports concerning an increase in the price of bread in Montreal, and is studying the matter in order that he may determine whether the situation is such as to warrant formal inquiry under the act.

VETERANS AFFAIRS

INQUIRY AS TO APPOINTMENTS TO PENSIONS COMMISSION

On the orders of the day:

Mr. C. W. Carter (Parliamentary Secretary to the Minister of Veterans Affairs): Mr. Speaker, on Friday last the hon. member for Winnipeg South Centre asked whether any appointments had been made to the Canadian pension commission since April 21, and the minister undertook to give him an answer today. The answer is as follows. Two reappointments have been made to the Canadian pension commission. They are Mr. L. A. Mutch, commissioner and deputy chairman, and Mr. Rene Painchaud, commissioner. We hope to announce shortly a third appointment to the commission.

Hon. Gordon Churchill (Winnipeg South Centre): I have a supplementary question. Will the parliamentary secretary indicate, of the three appointments made, which were to the permanent board and which would be called ad hoc appointments?

Mr. Carter: There were only two appointments, Mr. Speaker. Mr. Mutch was appointed to the permanent board, and I will have to find out about Mr. Painchaud.

Mr. H. W. Herridge (Kootenay West): I should like to address a question to the parliamentary secretary. Is anything going to be done about the amendments to the veterans legislation urged by the hon. member when he was in opposition?

AGRICULTURE

CANADIAN CONTRIBUTION TO FREEDOM FROM HUNGER CAMPAIGN

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): I should like to direct a question to the Minister of Agriculture or, in his absence, the Minister without Portfolio or the parliamentary secretary. May I congratulate the government upon arranging to send a delegation of 20 Canadians to attend the world food congress being held this month in Washington under the sponsorship of the food and agriculture organization of the United Nations.

Since the purpose of this conference is to promote the freedom from hunger campaign, may I ask the Department of Agriculture what contribution Canada is prepared to make to this campaign, and whether it is the intention of the government to increase the supplies of food which it proposes to make available to the needy and underdeveloped areas of the world.

Inquiries of the Ministry

Hon. Rene Tremblay (Acting Minister of Agriculture): Mr. Speaker, as a member of the food and agriculture organization the government is contributing to the freedom from hunger campaign, along with all other member countries, through the regular food and agriculture organization budget. In addition, Canada made a special contribution of $23,000 to the campaign for organizational purposes during its first year of operation.

A major objective of the campaign has been to enable non-governmental organizations and individuals to contribute directly. There is a very active freedom from hunger campaign committee in Canada. The world food program, which is the organization for multilateral distribution of food to needy areas, is a separate organization from the freedom from hunger campaign. Canada has committed a contribution of $5 million to the world food program, one third in cash and the balance in commodities, for the initial three year period. This, of course, is in addition to the assistance under the Colombo plan and the special assistance to Africa.

Mr. Douglas: May I ask a supplementary question. Does the government intend to offer, at this conference, to step up its contributions of food or other supplies?

Mr. Tremblay: Mr. Speaker, we are studying this problem.

FISHERIES

NORTH PACIFIC—APPOINTMENT OF ADVISORY COMMITTEE FOR CONFERENCE AT WASHINGTON

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): I was trying to address a question to the Secretary of State for External Affairs, but he seems to have vanished from the house. Possibly he has business with the premier of British Columbia, and if so I forgive him. Perhaps his parliamentary secretary or the Prime Minister might take this question.

I should like to know whether an advisory committee has been appointed to the north Pacific fisheries commission, that is the Canadian section of it, and if so is it the intention of the government that members of this advisory committee will attend in Washington as observers and advisers in the discussions that are to commence on June 6, according to the Secretary of State for External Affairs?

Right Hon. L. B. Pearson (Prime Minister): The minister and his assistant are both absent from the house on important official business. I am sorry about that. I am afraid this question will have to be answered tomorrow, because I have not the answer myself.

Interim Supply

SUPPLY

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

INTERIM SUPPLY

That a sum not exceeding $1,430,259,968.45, being the aggregate of—

(a) four twelfths of the total of the amounts of the items set forth in the main estimates for the fiscal year ending March 31, 1964, laid before the House of Commons at the present session of parliament, $1,282,100,552.00;

(b) an additional five twelfths of the amount of loans, investments and advances item L20, $416,666.67;

(c) an additional four twelfths of the amounts of fisheries item 45, northern affairs and national resources item 10, public works item 190 of the said estimates, $737,333.34;

(d) an additional three twelfths of the amounts of atomic energy item 5, mines and technical surveys item 45, northern affairs and national resources item 5 of the said estimates, $307,025.00;

(e) an additional two twelfths of the amounts of agriculture item 100, external affairs item 78, mines and technical surveys item 80, public works items 20, 135 and 195 of the said estimates, $2,376,416.67;

(f) an additional one twelfth of the amounts of external affairs items 60 and 65, fisheries items 30 and 85, forestry items 15, 25 and 35, legislation items 40 and 45, mines and technical surveys items 30, 35, 40, 50, 70, 100, 105, 125 and 130, national research council item 1, national revenue item 25, public works items 125 and 185, trade and commerce items 15, 20 and 28, transport item 222, of the said estimates, $11,626,316.77;

(g) four twelfths of the total of the amounts of the items set forth in the supplementary estimates (A), for the fiscal year ending March 31st, 1964, laid before the House of Commons at the present session of parliament, $110,163,277.67;

(h) an additional seven twelfths of the amounts of external affairs item 96a, loans, investments and advances item L63a, $15,665,416.67;

(i) an additional five twelfths of the amounts of northern affairs and national resources item 110a, loans, investments and advances item L13a, $5,841,005.42;

(j) an additional one twelfth of the amounts of fisheries item 30a, public works items 20a and 135a, transport item 222a, $1,025,958.34;

be granted to Her Majesty on account of the fiscal year ending March 31, 1964;

Provided the amounts hereby authorized to be paid and applied in respect to these items shall be deemed to include and not be in addition to the amounts authorized for such items by the special warrants issued by the Governor General pursuant to orders of the governor in council of April 1, 1963 (P.C. 1963-546) and of May 2, 1963 (P.C. 1963-702).

Mr. Douglas: When we adjourned on Friday, I had the floor. I understand the Minister of Justice wishes to make a statement. I shall be glad to give way to him but I should like the privilege of speaking in the debate later, after he has concluded his remarks, if I may.

Mr. Chevrier: Mr. Chairman, I am grateful to the hon. member for Burnaby-Coquitlam for allowing me to deal with the matters with which I should like to deal at the moment. They have to do with certain questions that were raised by hon. members of the New Democratic party on Friday when, unfortunately, I could not be present in the house to hear what they had to say. I was attending a meeting of a subcommittee of cabinet and, for that reason, was unavoidably absent.

I can tell the house, and hon. members who have taken part in this debate that, while I was not here, certain of my colleagues brought to my attention the remarks that were made by these members, and I have also had an opportunity of reading *Hansard* very carefully. I need hardly say that I am concerned about some of the statements that were made, and I should like to deal with them in such a manner as will enable the house and members, I am sure, to realize that I have taken great care in what I am about to say. I should like, if I may, to divide my remarks into two parts. I should like to put on *Hansard*, first of all, the policy as I see it that has been declared in the house over the years by previous ministers and by a previous prime minister and then, if I may, I should like to deal in as detailed a manner as I can with the complaints that were made in this house.

I think one has to go, sir, to 1946 to find, not the first pronouncement but one of importance, and that is why I begin in that year. Ever since 1946, when the royal commission on espionage stressed the part played by Canadian communists in the Soviet espionage network exposed by Igor Gouzenko, the Canadian government has shown itself to be acutely aware of the communist threat to the internal security of Canada, particularly that posed by espionage.

On December 3, 1951, the then prime minister, Mr. St. Laurent, speaking to the house on the subject of personnel security in defence industry in general and of the undesirability of holding security appeal hearings in particular, declared, with tacit reference to the Russian intelligence service:

> This organization acts with a ruthlessness, and a readiness to sacrifice its own followers, which we find it almost impossible to appreciate. It is only by careful, long continued and patient work that means have been established by our police forces of getting information about the operations of this organization. The organization would be more than ready to precipitate hearings involving their own followers, even if it meant the personal ruin of those individuals, if the hearings would lay bare the sources of information that the police have established.

The same awareness of the espionage threat and of the need for secrecy with respect to counter-espionage is apparent from statements made to this house on June 3, 1954

by the then minister of justice, Mr. Garson, who stated as follows:

> We are all aware that the practice of espionage and counter-espionage, the contest between enemy nations to secure and to prevent the securing of intelligence involves the building up, as completely as possible, of a large mass of information; and oftentimes the answer in the affirmative or negative to some simple statement of fact may be the last item needed to complete the general pattern of, if I may use that figure of speech, the jig-saw puzzle which the intelligence department is trying to put together; and this last simple answer may finally determine what that whole pattern is.

Then there is this significant paragraph:

> In counter-espionage work there is therefore only one safe policy to follow, and that is the policy of complete reticence about our counter-espionage and complete reticence in respect of the espionage against which we are trying to protect Canada.

The result of these two statements is in effect to say this, that it is very necessary for all our counter-intelligence activities that they be not publicized and they have to be secret in order to be effective. Then it was stated some time later that when a government department seeks information of a sensitive nature it calls upon the Royal Canadian Mounted Police to make an investigation or to make a report, and that investigation and that report is a factual one, and a factual one only. It is then up to the department concerned, either the head or the deputy head of the department, to determine what use he shall make of that information. I make that point, Mr. Chairman, because it has been the policy so far, as I understand it at least, that it is the department concerned that makes the decision upon the report that is received from the R.C.M.P.

In the earliest statements on this subject it was made clear to the house that the Royal Canadian Mounted Police had a fact finding role only and, indeed, that it was very reluctant even to go about securing the information, agreeing to do so only on the understanding that the government department submitting the request for screening would be responsible for determining whether the civil servant in question was to be entrusted with classified information. This, it appears to me, continued to be the policy until 1957 when the then minister of justice, Mr. Fulton, stated in the house the following:

> We have absolutely no information to indicate that we would be justified in relaxing the security precautions that we took with regard to subversive activities in this country.

He made known to the house at that time the following new information concerning the force's role in security screening, namely the requirements to make "an evaluation, if asked, as to the nature of any subversive organization to which the person concerned may be shown to have belonged" and to assess "the reliability of information". This was based on the fact that we all know that those who serve the state must be loyal. The loyalty of the civil servant is expected by the government. It is a condition precedent to his employment, and the responsibility for his loyalty rests upon the head of each department or agency.

Coming to investigations on university campuses, Mr. Chairman, these were first raised in 1961 and since, and the R.C.M.P. and the government was asked to cease these attempts to interfere in and, indeed, smear the student body. On that subject, on May 24, 1961 the then minister of justice, Mr. Fulton, had this to say:

> Enquiries by the R.C.M.P. into all matters, including security, are carried out in privacy and information regarding them is never given except to persons properly entitled thereto. Any knowledge that such enquiries are being made, or any comments reaching the press, must therefore, on such occasions come from those involved in or contacted during the course of such enquiries. This, of course, completely refutes any suggestions of smear on the part of the R.C.M.P.

There are other statements which were made by the then minister of justice, Mr. Fulton, and I would just like to put one other on *Hansard* which I am sure has already been brought to the notice of hon. members:

> I have never heard it said that it was an infraction of a person's rights if he was asked a question. This is a new concept to me. I endeavoured to indicate in the brief statement I made on opening the R.C.M.P. estimates that we do have a communist threat in Canada. I am not stating anything new when I say that. It is our responsibility, then, to keep a constant check on the size, extent and efficiency of the progress being made by the communists.

I have no doubt that there is concern, grave concern, not only on the part of hon. members in this house but also on the part of the security and intelligence branch of the R.C.M.P. about activities on university campuses. It is an avowed objective of the communists of Canada to infiltrate universities; to infiltrate a number of other organizations whose purposes, though proper, they could subvert to their own ends. As my predecessors in office have stated, I can say that I do not wish university campuses to be unduly subjected to security investigations. Nevertheless, I do not think it would be the right thing to grant them special exemption in this regard, because of what I have thus far stated.

If an investigation into subversion or espionage leads to a university campus, I do not think any hon. member in this house would suggest that the government should terminate the investigation at the boundaries of the campus. If this view is held, then any

other organization or association would have an equal right to expect similar treatment on this basis, and then the internal security of the country would become ludicrous.

I come now to the second part of my remarks and I would like to deal with the complaints and statements that were put on *Hansard* by hon. gentlemen last Friday. The hon. member for Winnipeg North raised the question concerning the surveillance of certain groups of people. Let me say to him that the R.C.M.P. are not interested in the organizations to which the hon. member seems to refer. However, as I stated earlier, the R.C.M.P. is interested in communist activity and when such organizations are penetrated the activities of the communists in them become of interest to the R.C.M.P. The hon. member may be interested in knowing that not infrequently officials of such organizations come to the R.C.M.P. for advice on the problems arising from communist penetration of their groups. Indeed—and I say this in all fairness—the group to which the hon. member belongs has had some experience in these matters, if I am to believe newspaper reports covering the expulsion of persons belonging to the "young socialist alliance" which, according to the press, is "a Trotskyist organization... a heretic branch of the communist movement". A further point to which the hon. member for Winnipeg North referred is the matter of complaints and criticism in leading Canadian newspapers. That is true. On the other hand there are laudatory statements in newspapers about the work of the R.C.M.P. and if he were to weigh one against the other, I think the hon. member would come to the conclusion that there are far more in the latter class than in the former.

With reference to the question arising out of representations which have been made by the Canadian association of university teachers, I have received from that association a letter which I propose to answer, and I think the committee would agree with me that it would be improper for me to say anything on this subject at this time when I have not yet prepared a reply to this letter.

Mr. Peters: Is that department as slow as it used to be?

Mr. Chevrier: No. The letter was brought to my attention over the week end and it was difficult, because of what I am doing now, to prepare the kind of reply which I think is necessary in this case. I propose at this time in view of all that has been said about security inquiries on university campuses to point out to this committee that it is not unknown for university authorities to appeal to the R.C.M.P. for advice on problems arising from communist activities on their respective campuses. Many members of faculties in several universities have voiced fear of communist activities in universities. Indeed, police interest in communist activities in universities is often sparked by information gratuitously received.

I should like to correct an impression which has been made by the hon. member for Winnipeg North, that Commissioner Harvison's interview with the Canadian University Press was published only in Alberta. This interview was carried in nearly every university paper in Canada, and therefore no finger was being pointed at the University of Alberta.

The hon. member also refers to the use of the word "evaluated" by the commissioner in his reference to reports supplied to other government departments. Information is received by the force from many sources. In sending reports to departments it has been found prudent after many years of experience to evaluate the reliability of the sources as "usually reliable" or "of known" or as of "unknown reliability". This has been found necessary in order that the department concerned may properly assess the information the force supplies. May I point out that Commissioner Harvison and his predecessors have consistently objected to any attempt to have the force make decisions on behalf of departmental security authorities? I would like to make it clear that the R.C.M.P. does not make any decision for a department on whether or not an employee is suited for any particular responsibility. The hon. member was quite inaccurate, therefore, when he referred to a "kangaroo court" in the matter of R.C.M.P. handling of these matters.

In quoting from the University Press article the hon. member refers to NATO. The commissioner did not state, or even suggest, that Canada held all the military secrets of NATO. He did say, and quite rightly, that Canada holds some NATO secrets which it is the duty of Canada to protect properly.

Mr. Orlikow: On a question of privilege. The minister is questioning a statement I made. I read the commissioner's statement into the record. The record did not say "all," but neither did it say "some". I think the minister should stick to the facts.

Mr. Chevrier: I do not think that is a question of privilege. It may well be a question of rebuttal in answer to what I am putting on record, if he feels I have put his position inaccurately. But I certainly did not intend to do that. I think, perhaps, the hon. member should have the right to reply.

May I go a step further and say that the commissioner's reply to *Maclean's* magazine was made with the authority of my predecessor, the former minister of justice. It

was made by special delivery to the editor of the magazine and Mr. Katz, on a Saturday morning and it was not released to the press until the following Monday. I might add that Mr. Katz' article was published without the commissioner being given an opportunity to comment on its contents, although I understand this was to have beeen done. Furthermore, the editor of *Maclean's* saw fit to make a reply to the commissioner's letter although he did not see fit to publish it. The commissioner did not, as the hon. member for Winnipeg North suggests, ignore nearly all the charges in the article—he referred specifically to a number of them. As for the case with regard to Huntington college, Sudbury, to which the article referred, I should like to put on record in *Hansard* the reply which was made to that letter by the former minister of justice, Mr. Fleming. I think it is useful that this should be put on record. The letter reads as follows:

The Reverend Edward T. Lute, B.A., B.D., M.A.,
Registrar and Associate Professor of Philosophy,
Huntington College,
83 Larch Street
Sudbury, Ontario.

Dear Sir:

I am replying to the letter of yourself and your colleagues, dated February 28, 1963, concerning the discussions of constable Wiebe, of the Royal Canadian Mounted Police, with the Reverend Dr. J. W. E. Newbery. Inquiries have been made at the Sudbury detachment of the Royal Canadian Mounted Police, on the instructions of the commissioner, to ascertain the facts.

I am advised that constable Wiebe called on the Reverend Dr. Newbery concerning three young men who, according to newspaper reports, were marching from the west coast to Berlin in some form of peace march. Newspaper reports indicated that this group formed the Vancouver-to-Berlin peace campaigners. Whether East or West Berlin was not specified.

According to local press reports Dr. Newbery had arranged for a press conference with these young men and, apparently, had some knowledge of them and, as one of them was reported to be a German national and a former cadet officer in the Hitler youth movement. Constable Wiebe approached Dr. Newbery, who at no time made any objection whatsoever to discussing the matter nor in any way indicated that he was displeased at being approached.

I am also advised that constable Wiebe deliberately endeavoured to make it clear to Dr. Newbery that he was in no way investigating any member of the faculty, or any member of the student body at Huntington college or Laurentian University. Constable Wiebe states that he made this point when he first met Dr. Newbery and, again, before he left. Constable Wiebe also states that he had a general discussion with Dr. Newbery on communism and its possible attempts to penetrate local organizations.

I do not know how Dr. Newbery received the impression that he himself was under investigation, for such was certainly not the case. Dr. Newbery had been reported in the Sudbury press as having arranged for a press interview for the young men referred to and, as a responsible citizen and educator, he seemed the appropriate man to approach. Apparently constable Wiebe went to Dr. Newbery quite openly and in good faith and I would be reluctant to think that we have arrived at a time when the police, in the performance of their duty, may not approach the responsible citizens of any community for assistance.

You expressed some concern regarding the report which would be filed by constable Wiebe in connection with his visit. I can advise you that constable Wiebe's enquiry was of a routine nature and as no information of any particular value to the police was received, no report was filed. It was not until your letter was received that the Sudbury detachment of the Royal Canadian Mounted Police was asked for a report in order that a reply could be made to you. Naturally this report is now a matter of record.

As you have raised the question regarding inquiries by the Royal Canadian Mounted Police into the political views and activities of members of university faculties and student bodies, I would point out that the force has no interest in the political views of any Canadian, on or off the university campus. Subversion is another matter.

I hope this letter will clarify the matter in your mind and as I note you have sent copies of your correspondence to other persons and organizations, you may wish to consider directing copies of my reply to the same people.

I am not aware whether *Maclean's* magazine received a copy of the letter from Huntington college and I am not aware that its contents have been made public in any other way.

Reference was also made to the organization known as the voice of women. Here I have to state, as advised by the commissioner, that no statement has ever been made by the R.C.M.P. that this is a subversive organization.

Regarding the case of the 74-year old widow, now living in Regina, the R.C.M.P. are unable to identify any person with the details as they have been presented. I am aware that the leader of the N.D.P. has referred to this case in the house, but always without mentioning the name. If he will supply me with the name of the lady concerned and the information he has, in full confidence, I will undertake to have the matter fully investigated. According to the leader of the N.D.P. this case has extended over a period of 20 years, and yet I am informed by the commissioner that R.C.M.P. headquarters have been unable to find any file which could be identified with the lady in question. I might add that all members concerned have been questioned and even ex-members who might have had some knowledge of such a case, but without result.

Mr. Speaker, I should now like to deal with the complaints made by the hon. member for Nanaimo-Cowichan-The Islands, particularly that one in which he referred to a lady member of his constituency who was allegedly terrified as a result of being asked by a sergeant of the R.C.M.P. to spy on her neighbours. As the hon. member did not see fit to

supply me with the name of this woman—I am not complaining about that because I do not think that there was any obligation on his part to do so—it was difficult to identify the file, and it was with some difficulty that a file has been located which seems to be related to the case to which he refers. The information, however, is completely at variance with the story told by the hon. member.

He has stated that without warning this lady was interviewed by an officer of the R.C.M.P. special investigation branch who called upon her after having ascertained by telephone that she was alone in the house. During the interview he suggested that she should undertake to spy on her neighbours and that her husband should undertake to do precisely the same job among his fellow workers at the logging camp in which he was employed.

The facts as they have been presented to me by the commissioner of the R.C.M.P. are the following. The complainant, whose husband is employed in the logging camp and normally away from home all week at his job, was not approached without warning by the R.C.M.P. The first knowledge the police had of this case was when this lady made a complaint to the local police detachment at Nanaimo, B.C. I should like to make it clear that the complaint was not made to the security and intelligence branch. She stated that she and her husband were being bothered by telephone calls and letters from a local man urging them to attend communist meetings and that he was pushing the propaganda quite heavily. She then requested information on how to deal with the person for, as she stated, she was fed up with him. This complaint was made in November 1962, and is a matter of police record in writing by the constable on duty when it was made.

It was as a result of this complaint that she was later interviewed by a sergeant in the security and intelligence branch. The statement that the sergeant had selected this couple for interview because of their name is incorrect, as will be seen from the facts. As to her being terrified, as stated by the hon. member, this accusation seems hardly to fit the fact that she had no reluctance in going voluntarily to the police in the first instance. This was not an approach by the police to this woman or her husband. It was the result of a complaint made by the lady herself to the police. The hon. member leaves the suggestion that for some sinister reason the sergeant wished to interview the woman in the absence of her husband. My information, which has been obtained from a report received prior to the hon. member's remarks in the house, is that the sergeant advised this lady to discuss the whole matter with her husband. There is a great deal more that I could say about this case but I do not wish to do anything which would further identify, or embarrass, this lady any more than she has already been embarrassed in the house. If the hon. member is in any doubt about this being the case to which he refers, I will be pleased to discuss it with him further in private.

There is the other case which the hon. member has raised and which to my mind I consider very serious. When the hon. member raised it he made no mention of the name of the young man who had applied for entry into the Royal Canadian Navy, and of course I asked, as I did in the case of the other complaints, the commissioner of the R.C.M.P. to look into this case also. The commissioner replied that he was unable to locate a file which would coincide with the complaint which was put on *Hansard*, because, of course, he did not have the name. I listened on Sunday, as I am sure did many hon. members, to the report on the radio where the name was given and I was able to listen to the circumstances surrounding this case. I have since communicated with the commissioner and asked for a full statement. All I can say is this, that if the facts in this case are as stated by the hon. member in this house, then I have no hesitation in saying that there has been an injustice and that that injustice should be corrected, perhaps by the reinstatement of the young man. That I am unable to say, because I am not alone in that decision; it would be a matter which I would have to discuss with my colleague, the Minister of National Defence. But I can assure the hon. member that I personally intend, because I think it is a serious case, to look into it and see that justice is done.

I want to conclude—

The Chairman: Order. I am sorry I must interrupt the minister but his time has expired.

Some hon. Members: Continue.

The Chairman: Has the hon. minister unanimous consent to continue?

Some hon. Members: Agreed.

Mr. Chevrier: I thank the committee, and I am almost at the end of my remarks. I want to conclude with two other matters. First, with reference to the R.C.M.P., I wish to say that my predecessors over a long period of time have paid tribute to this great body of officers, and I want to add my own tribute by saying that I do not think there is any police force in the world that can be compared with the Royal Canadian Mounted Police. If it was not an outstanding police force, certainly eight of the ten provinces would not be using it to do their policing. In

Quebec the premier of that province sought the services, as the house knows, of a former R.C.M.P. officer, to head the provincial force and many municipalities across this country have agreements with the R.C.M.P. to police their cities and towns. In Canada we have been fortunate indeed thus far in protecting the security of the state from espionage.

If there is any doubt on this point, may I refer hon. members to what is happening in the United Kingdom. There it has been found necessary to set up two royal commissions over approximately a one year period in an effort to ascertain by what means and under what circumstances employees of that government have been suborned to a point where they become traitors to their country. This speaks highly for the R.C.M.P. in our country. When regard is had to the fact that hundreds of thousands of inquiries are made each year then, indeed, I would go further than that and say it is surprising that mistakes are made in such few cases. Where there is legitimate criticism, the force has admitted its mistakes. But the vast majority of these cases have been in order, and I believe there has been no fault to find with the force.

Mr. Chairman, the next point is with reference to the parliamentary committee or inquiry, the point raised by the hon. leader of the N.D.P., I believe on the first day of the session. He referred to it again on Friday. I replied that having regard to the circumstances as I saw them then I did not think that at this time a parliamentary inquiry was warranted. I did not give any reason because it was difficult on orders of the day to go into that. However, I say now that the operations of a security service must to a very great extent be carried out secretly and without undue publicity. If the *modus operandi* of the secret service were made the subject of public discussion, there is no doubt that the service would cease to be effective. Sources of information would dry up and effective countermeasures would be taken by foreign agents to defeat the security methods employed.

I would like to point out to the house, and in particular to the hon. members in that corner, that I have been in the Department of Justice for barely over a month. Surely they will agree with me that in that time it is impossible to give the kind of study to this matter that it requires? So, under the circumstances I think I should be allowed to go into this subject and discuss it when there is more time, to discuss it fully in all its ramifications. I am not closing the door on the suggestion made by the hon. member, although I feel that at this time it is not warranted. However, there might be some other method by which some of these complaints could be done away with, and I am willing to study the matter carefully in that light.

In the meantime, if there are any further complaints then I would welcome representations to me by, or on behalf of, the persons concerned, and I can assure the house every such complaint will be thoroughly investigated.

Mr. Douglas: Mr. Chairman, I must say that I am disappointed at the statement which has just been made by the Minister of Justice. I had expected more, from him and from this government, on this question than we have witnessed this afternoon. Over the years I have listened to a number of ministers of justice trying to defend some of the indefensible actions of the security and intelligence branch of the R.C.M.P., but I doubt if I have listened to a weaker defence than I heard this afternoon.

This is not a question about the fine police force that we have in the R.C.M.P. We all acknowledge that it is one of the finest police forces in the world. It is not the R.C.M.P. which is on trial this afternoon. It is the Minister of Justice, the Department of Justice and the administration of justice in this country. That is what is on trial, and the minister has missed the point entirely. No one here is complaining about investigations into subversion, the seeking out of persons who are guilty or may be guilty of treason. No one is complaining about the attempt to prevent espionage and to arrest those who are responsible for espionage.

The security of this or any other democracy requires that there must be a security force, but what we are objecting to is that under the umbrella of seeking to root out subversion we find interference with free speech and an attempt to intimidate people who are exercising their democratic rights. We submit that we will not strengthen democracy in our country by destroying democracy. The very essence of democracy is that there shall be free expression of opinion, that men and women shall be allowed to hold whatever views they may have, provided they do not go to the length of advocating the overthrow of the government by violence.

Many years ago Voltaire wrote an opponent of his who was being prosecuted by the state for his outspoken views, and said:

> I disagree with what you say, but I will fight to the death for your right to say it.

This is the very essence of democracy.

The first of the two points which the minister missed is that the S and I branch of the R.C.M.P. have demonstrated they are

completely incapable of differentiating between subversion and non-conformity. Let me give you some illustrations. On April 1, 1961, a nuclear disarmament parade and meeting were held in the city of Regina. I participated in the meeting which was chaired by a professor of the university. Other professors and local clergymen were on the platform, and students from Regina college were present. About a week or 10 days later—and this is only one instance, I think it happened on several occasions—a man in Yorkton was interviewed by a member of the R.C.M.P. who told him his son had taken part in this meeting and that if he did not stop associating with this kind of meetings he would get into trouble.

At a public meeting I made reference to this unfortunate incident. The then minister of justice came out with a public statement and said no such thing had happened, that the man had not been interviewed, and that there had been no attempt to intimidate him or his son. I did not bother carrying on a controversy through the press, but I asked the attorney general of the province of Saskatchewan to send the minister a verbatim copy of a conversation between the attorney general and this father which I have here. Then I asked the minister to read it, and see if he still contended that this man had not been interviewed and that there was no attempt at intimidation.

The then minister of justice wrote to the attorney general under date of July 6, 1961, and said:

> I must agree that the facts as outlined by you concerning the approach to a citizen of Yorkton by a member of the Royal Canadian Mounted Police, are quite correct. I regret this very much, as the member of the Royal Canadian Mounted Police went beyond his responsibilities, although he undoubtedly acted in good faith in his attempt to advise the father of the individual concerned with respect to certain difficulties that might arise due to his son's connection with this movement.

The last paragraph of the letter says:

> I want to repeat that I regret that the steps taken by the member of the Royal Canadian Mounted Police in this case, even though in good faith, went beyond his responsibilities, but I ask you to accept the fact that this was not in keeping with any desire on the part of this government, or of the Royal Canadian Mounted Police, and that there was not the slightest desire or intention to interfere with the political freedom of any citizen of Canada.

That is in a letter to the attorney general of Saskatchewan. It is not a public statement. It was sent by the then minister, Mr. Fulton, and so far as the public are concerned the minister's statement still stands, that there was no interference, no interview, and no attempt to intimidate this particular man.

[Mr. Douglas.]

I mention that example because I was personally associated with it. But many cases of a similar nature have come to my attention, in which the Royal Canadian Mounted Police have acted far beyond their responsibilities. I do not blame the whole R.C.M.P. I am simply saying that the S and I branch have demonstrated they are ill trained and inefficient to carry on this kind of work.

They should either be taken out of the R.C.M.P. or different types of individuals should be trained to carry on the work of providing security for our country. We are not going to strengthen democracy in Canada by allowing students to be intimidated through their parents, just because they happen to associate with other students and university professors in advocating nuclear disarmament or anything else they have a right to advocate which does not run contrary to the laws and constitution of the country.

The second point which the minister has missed entirely is that individuals who are investigated and branded as being bad security risks have no right of appeal. The minister said there is nothing wrong with asking a person a question. Of course there is not, but how does the accused person ask questions? There is no one of whom he can ask questions. Let me take again an instance with which I am perfectly familiar.

I became interested in this case as far back as January, 1950, when I was approached by a young man whom I had known as a child, and whose family I had known all my adult life. He was being discharged from the Royal Canadian Air Force on the grounds that he was a bad security risk, and this after seven years in the air force. I happened to be coming down to Ottawa to attend a federal-provincial conference, so I went to see the minister of defence at that time, a very good friend of mine, Brooke Claxton. He said there was nothing he knew about this case, it had simply been reported to his department by the police that the man in question was a bad security risk. The present minister says the R.C.M.P. do not make decisions, for instance the decision to dispense with a man's service. Of course, they do not. They just decide he is a bad security risk.

Mr. Chevrier: No, they do not.

Mr. Douglas: The Department of Defence had no information other than the report from the Department of Justice, which originated with the R.C.M.P. This alarmed me because I did not want to take on the task of defending a man who was a bad security risk; but the man came to me again and assured me he never had any contact with the communist party. I met his family. I

talked to his priest. I talked to the superior and teachers of the Catholic school which he had attended. I talked to officers with whom he had been associated in the air force. I could find no evidence that anyone had ever heard of this man being connected with the communist party so I asked Mr. Coldwell to raise this matter in the House of Commons. I have here photostatic copies of pages 3363, 3364 and 3365 of *Hansard* for June 8, 1950, where Mr. Coldwell raised this case. When Mr. Coldwell asked Mr. Claxton about this man's communist connections the facts began to come out. The minister said: Well, he went to a Catholic college in Saskatchewan and he was put out for being a communist.

Then the light began to dawn. I recalled the incident myself when back in the 30's there had been an order at a certain Catholic college that no political parties were to be formed on the campus. Three young men formed a C.C.F. youth group, or C.C.Y.M., and they were expelled. When this young man was getting the regular security check-up the R.C.M.P. came to the college and found that he had been expelled for having helped to form a C.C.Y.M. group on the campus. As soon as I drew to the attention of the reverend father, who was in charge of the school and who had been there throughout the entire incident, the interpretation that had been placed on it he sat down and wrote a letter, a photostatic copy of which I have here, to the minister of justice of that time saying that this was a complete misunderstanding, that a great injustice had been done and pleading with the government to reinstate this man in the R.C.A.F.

No reply was received. I came down to Ottawa and I saw the then minister of justice and the commissioner of the mounted police. The commissioner of the mounted police informed me that the R.C.M.P. do not make mistakes—"this man was a bad security risk and he is still a bad security risk".

Mr. Hellyer: I wonder if the hon. gentleman would permit a question?

Mr. Douglas: Surely.

Mr. Hellyer: Did he say that the C.C.F. movement at this school was the same as the Canadian communist youth movement?

Mr. Douglas: Did I say so?

Mr. Hellyer: Yes. I just wondered about the initials that the hon. member used.

Mr. Douglas: If the hon. gentleman cannot listen intelligently to what is being said I do not know what he is doing on the treasury benches. I said that this young man belonged to the C.C.F. youth movement or C.C.Y.M., the co-operative commonwealth youth movement which had nothing to do with the communist party, never had and is never likely to have.

Mr. Hellyer: I am pleased to have that clarified.

Mr. Douglas: What is more, the hon. member need not try to draw a red herring and use up my time because I am not going to be intimidated by that sort of silly question.

Mr. Hellyer: On a question of privilege, Mr. Chairman, there is no intention to intimidate. I merely wanted to get the facts straight so there would be no improper interpretation.

Mr. Douglas: Will the hon. gentleman just sit down and keep his brain warm. When the present commissioner of the R.C.M.P. wrote a letter to Mr. Sidney Katz criticizing an article which appeared in *Maclean's* magazine, what did he say? Referring to this case he said that the man in question was an active member of the communist party. He said that during this period this man was an active member of the communist party. The man denied it, his family denied it, his church authorities denied it, the principal of the school he attended denied it, but the R.C.M.P. still say that he is an active member of the communist party.

Maybe the R.C.M.P. have information I have not got. I am quite prepared to admit that. What I am saying is that this man should have some right of appeal. Not only is he put out of the air force with a wife and family but when he gets a job his employer is informed inside of a month that this man is a bad security risk and he loses that job. That happened three times in a row. By this time he is left with an ulcer from worry and tension. When he gets out of the hospital he moves his family to another city and does door to door selling in order to make a living.

What I am saying is that we do not expect the R.C.M.P. can be infallible. No police force or security force can be infallible. What I am saying, and I have been saying it for years, is that in Canada we ought to do what they do in Great Britain where they have set up a judicial or quasi-judicial committee to which people can appeal, to which they can go with their counsel to be heard in order to clear their names.

I have on my desk here a score of cases of individuals who have applied for citizenship and have been told that they are bad security risks. I have cases of men who have gone to work for United States companies in this country and have been turned down, and it is hinted to them, "the report we get is that you are a bad security risk". There are cases here in the city of Ottawa of people

who have been hired by the government and who find that they have been labelled as bad security risks. Maybe they are, but surely they should have the right to be heard. Surely it is the essence of democracy that they have the right to face their accusers and know by whom they are accused and with what they are charged. Neither the R.C.M.P. nor anybody else has a right to be prosecutor, judge and jury, the right to say that this man or this woman is a bad security risk and that closes the whole matter.

I have a case here of a man who came from Great Britain to live in the city of Regina. He went to apply for citizenship and was interviewed by a Corporal Young of the R.C.M.P. He was told: We know that you attend communist meetings, we know that you have communists come to your home and you visit their homes, and we know that you receive communist publications. When he begins to ask who these subversive people are it turns out that he is chairman of the local New Democratic party club, that he visits back and forth with people in that club and that he receives literature from the Canadian peace research institute. The crowning indignity was the suggestion made to him that it would be a lot easier for him to get his citizenship papers if he would agree to stay in the organization and report on the other people with whom he was associated.

Again I am quite prepared to concede that this man may have associations of which I do not know. But he should have a right to go before some impartial body, to be represented by counsel and to be told why he is not being given his citizenship papers, because he has not yet been given them. The minister simply says: Give me the names and I will look into the matter. What does he do when he gets names? He gets a report from the R.C.M.P. and, as Commissioner Wood said to me, "The R.C.M.P. do not make mistakes".

So we are dealing with the omniscient and omnipotent. What is the use of giving anybody names? The minister mentioned the case of the widow in Regina. I noticed that the R.C.M.P. commissioner in his letter to Mr. Katz described this story as a fabrication, just simply untrue. I am prepared to substantiate that story. This woman, described as a widow in Regina, is only a widow recently. She was not a widow during the entire period. I have known her and her late husband for the past 30 years. This woman is a Christian pacifist who periodically—I do not say every year but periodically, probably every two years—was visited by an R.C.M.P. officer and questioned as to her views, what books she reads and so on. This is because she was listed during the war as a Christian pacifist. She has never made any secret of her Christian pacifism.

I do not happen to share the views of the pacifists, but I admire their courage and I certainly defend their right to be pacifists. When this woman talked to me about this, I offered again and again to take this matter up with the Minister of Justice. She said, "I do not want any trouble; I would just as soon put up with these calls and forget about them." I only became really indignant on the last call of which I have any record when the officer said, "Your wife is a very good friend of the wife of the minister of agriculture for the province of Saskatchewan. Can you tell us whether or not he is a communist? I will come back tomorrow to see if you can give me some information." I said, "When he comes back, send him up to my office; I know the minister of agriculture much better than you do and I will give him all the information he wants." Needless to say, he did not appear.

The minister says, you give me this woman's name, and I will look into it. Is the R.C.M.P. so inefficient, are there so many people in Regina being investigated, that they cannot find this one case? Are they trying to tell me they have not been interviewing this woman? I will make a deal with the minister. I will not give him the name so this woman can be badgered, but if the minister will undertake to show me the file, then I will give him the name. Then, I can see the file and not just accept the word of the inscrutable, the imperturbable R.C.M.P.; then, I will be able to see this file and I will be prepared to discuss this case with the minister.

This woman is not complaining. She is over 70 years of age. They cannot bother her very much in the few years she has left. I simply use this case as an illustration of the way in which a peace-loving, orderly, law-abiding citizen has been badgered and bothered by the security and intelligence branch, or whatever branch it is of the Royal Canadian Mounted Police, simply because she holds views that are not in conformity with those of the mass of the people in the community.

I should like, therefore, to suggest three things. I want to suggest, first of all, that I think the time has come to take the security and intelligence branch out of the Royal Canadian Mounted Police; to staff it with highly trained people who are skilled in looking into subversion, who know the difference between non-conformity and espionage, who know the difference between people who are ready to commit overt acts

of treason and people who merely have a point of view that is different from the point of view held by most of those in the vicinity.

The second suggestion I make is that the government give consideration to setting up in the government a tribunal or quasi-judicial committee to which individuals may come with their counsel and say, "I have been denied a job", or "I have been kicked out of the armed forces; or I have been refused citizenship on the grounds that I am a bad security risk. I have a right to see the evidence against me. I have a right to face my accusers. I have a right to be heard before my name is slurred and the names of my children are slurred; that is all I am asking." Surely, this is a reasonable request in a democracy.

The third suggestion I make is one which I proposed in a question on orders of the day. I think that there ought to be a select committee of this house look into the whole procedure for dealing with subversion and maintaining the security of this nation. It would probably have to meet behind closed doors part of the time. I admit there are difficulties in administering a security system. I admit that in the kind of world in which we live today, security is important. However, I contend that, equally important with maintaining security is the maintenance of those basic democratic institutions upon which this country is built. It will be of little value to destroy totalitarianism across the seas if in the process we incur totalitarianism here. I suggest, Mr. Chairman, that in the long run liberty is indivisible. If I allow my neighbour's civil liberties to be encroached upon today, my liberties will be in danger tomorrow.

The Chairman: Order; I am sorry but I have to inform the hon. member that his time has expired.

Mr. Pickersgill: I am sure the hon. gentleman was just about to conclude his remarks, and we would like to hear his conclusion.

Some hon. Members: Agreed.

Mr. Douglas: I am simply contending that we, as members of this high parliament, and all of us who treasure democratic institutions, ought to be properly concerned about what appears to be a violation of the uses and purposes to which a security force has been put. I agree with the minister when he says he has only been in office a little over a month. I do not hold the minister entirely responsible, except that I do hold him responsible if he does not proceed to do something about this matter. The situation has been getting worse. There have been more and more violations. The representations that have been made by the Canadian university teachers association are something to which attention should have been paid long ago. The minister now has a responsibility; the ball is at his feet. I have enough faith in him and his associates to believe that they will not allow this sore to fester much longer, that they will take some steps to correct the situation. I can assure them that if they do not, then we in this group will continue to raise this matter again and again and again, because I can assure you that I will not allow some of these cases that have occurred to be repeated without making protests that will be heard from one end of the country to the other.

Mr. Nugent: Since it is just about five o'clock, and I do not want to take up too much time of the committee, I wonder if I could call it five o'clock so I will be able to keep some continuity in my remarks?

Mr. Pickersgill: I was just going to make a contrary suggestion. As hon. members know, we are in the month of June and I do not believe the government can very well be blamed for any delay in bringing supply before the house. I was wondering if there would be any possibility of acquiring unanimous consent to continue with a view to getting the resolution through by six o'clock. If that were done, we would be very glad to make the time available from nine to ten for private members' hour, in order to obtain continuity.

Mr. Douglas: Dealing with the question raised by the minister, may I say that I doubt if the extra hour would get us through. I believe the hon. member for Comox-Alberni wants to raise a fairly pressing matter.

Mr. Pickersgill: Perhaps the hon. gentleman did not realize that my suggestion would mean there would be two hours; there would be the hour from five to six, and the hour from eight to nine. This suggestion would not take away the private members' time, but it would give us continuity and might give us a better chance of getting this business through in time. However, I am in the hands of the committee.

Mr. Barnett: If the hon. member has a question which he wishes to raise, I have no objection to proceeding. However, I do not feel it should be understood that we conclude by nine o'clock if all the matters that need to be raised have not been considered.

Mr. Pickersgill: Perhaps, in the circumstances, we should just follow the rules.

The Chairman: It being five o'clock, it is my duty to leave the chair in order for the

house to proceed with private members' business, pursuant to section 3 of standing order 15.

DISABLED PERSONS ACT

AMENDMENTS CONCERNING PHYSICAL AND MENTAL CONDITIONS

Mr. Heber E. Smith (Simcoe North) moved:

That, in the opinion of this house, the government should give consideration to the advisability of enlarging the definition of a disabled person in the Disabled Persons Act, and the regulations pursuant thereto, to take into consideration such factors as the physical condition, the mental condition and the age of the applicant, and other factors which create a condition of permanent unemployability.

He said: Mr. Deputy Speaker, speaking for the first time in the twenty sixth parliament I should first like to congratulate you on your appointment as chairman of committees. I should also like through you to congratulate the Speaker on his appointment, and the deputy chairman of committees. I wish you well in your tenure of office.

My father taught me to believe that man's first public duty was to help those who were least able to help themselves. Nothing that I have learned since has changed my mind about that early teaching. Indeed, I now know it to be a basic tenet of Conservative philosophy. I think that government responsibility is no different; it too should be directed first to helping those who are least able to help themselves. Sometimes in the vision and glamour of all-embracing welfare schemes this rule and lesson is forgotten. The people I am going to talk about are not those who will benefit from a contributory pension scheme, because they do not earn enough; they are not the people who would benefit from the New Democratic party's "airy fairy" promises of full employment, even if such promises could be fulfilled, because they are unemployable.

Who are these people? I think that every hon. member who is interested in his constituents knows dozens of them; he talks to them almost every day he is in his riding. I am quite sure there are many thousands of them all across Canada. Mostly you will find them in the age group of 45 to 65. They are all permanently unemployable, usually through a combination of circumstances. Their age contributes to it; their physical condition in some form contributes to it; their lack of training and their lack of education, their inability to absorb further training or further education, contributes to it. Some of them, because of mental and psychological conditions, are unable to work in the complicated industrial society that we find today; they just will not fit into an assembly line. All of them are left behind.

[The Chairman.]

Where are they now? You will find many of them on permanent relief rolls. Some of them you will find being kept in genteel and not so genteel poverty by their families. Some are drifting from job to job from day to day, doing little else than distorting our unemployment statistics. Hon. members might say, why not keep them on welfare? In my opinion welfare was never designed to meet a permanent condition. Welfare, as I understand it, is designed to tide people over temporary difficulties and temporary embarrassments. I do not think these people should have the humiliation of being permanent welfare wards, because the conditions which cause their unemployability are largely completely beyond the means of correction by themselves.

There are many things that could be done and many acts that could be changed. I have thought to bring forward this motion relating to the Disabled Persons Act because these people are disabled. I would like to read the present definition:

For the purpose of the act and these regulations, a person shall be deemed to be totally and permanently disabled when suffering from a major physiological, anatomical or psychological impairment verified by objective medical findings which is likely to continue indefinitely without substantial improvement and, as a result thereof, such a person is severely limited in activities pertaining to normal living.

I think that perhaps the main objection to the definition is the "normal living" part because, as now interpreted, "normal living" is considered to mean the ability to perform activities such as hygiene, feeding, dressing, walking, stair climbing, use of hands, speech, vision, hearing, writing, and reading. Unemployment is not a factor in reaching a decision. I think it is time we had a new definition that is broader and takes into consideration more of the activities of normal living. Particularly I refer to that of employment. Can they be gainfully employed? Is there anywhere they can be usefully and gainfully employed? For that reason I suggest that the four important factors which ought to be considered under this new definition would be, the physical condition of the person, the mental condition, the age and the permanent unemployability which flows from the first three conditions.

It will be pointed out, no doubt, that the provinces have to be consulted, that this is co-operative legislation I realize that. However, I do not think we will have any difficulty in getting co-operation from the provinces, because it was a Conservative government in Ontario in 1954, under the premiership of Leslie Frost, that took the lead in putting this legislation forward. In

1963 another Conservative government in Ontario has taken a step which answers the problem of a great many of the people who would come within the categories I have mentioned. I refer to the recent changes by the Hon. Louis Cecile in the assistance to widows and unmarried women's regulation under the general welfare assistance act, which now provide that widows and unmarried women over the age of 60 who have no means are eligible for a pension. This covers a reasonable proportion of the people with whom I have come in contact.

There is another small point in relation to this regulation that I would like to touch upon generally, although it is not covered within the terms of my motion. I refer to those cases of married couples where one person, either the husband or the wife, is disabled and qualifies under the physical requirements of the act but is disqualified by the very low ceiling income that is permitted for people like that. One example that has come to my attention recently in the city in which I live is the case of a man who is permanently disabled. His drugs bill is $55 a month. He and his wife have two boys in the family. The wife is endeavouring to keep the home together, and she earns $45 a week. By reason of his earnings, the husband is disqualified for the D.P.A. pension and yet she is expected to do the impossible of keeping the home going and buying his drugs on $45 a week. In cases where one or the other spouse is disabled the ceiling should be lifted substantially so that the $65, or whatever the amount of the pension may be from time to time, could be used for the necessary home care of the disabled spouse.

Another case which came to my attention was that of a small farmer who lives in my own riding. He has ten or eleven children. His wife is incurably ill with a disease such as multiple sclerosis. He is not a man who makes a large income. He has to keep his oldest daughter at home to do the housework. Yet by reason of his modest earnings his wife's pension is only $14 a month. This means that although the eldest daughter has to stay home and work he has no means of paying her even a modest wage for her services. Although such circumstances as these are not covered by the terms of my motion, I should like earnestly to commend this thought to the government in the hope that some changes might be made in this regard also.

Mr. S. Perry Ryan (Spadina): The resolution before the house on the motion of the hon. member for Simcoe North (Mr. Smith) seeks to enlarge the definition of a disabled person in the Disabled Persons Act and the regulations pursuant thereto. I should like to compliment the hon. member upon the birth in his noggin of this very Liberal notion. I only wonder why he did not do something about it during the last six years while he was sitting on this side of the house.

Mr. Smith: We did.

Mr. Ryan: It was a Liberal government which introduced the Disabled Persons Act. It was assented to on June 26, 1954, and proclaimed in force as of January 1, 1955. It was, and is, another jewel in the long string of social welfare measures initiated for the benefit of our people by the Liberal party. It currently provides that 50 per cent of $65 monthly, or 50 per cent of the allowance paid by the province, whichever is the lesser, shall be contributed for each eligible recipient over 18 years old. Federal payments to the provinces are made monthly in arrears and not in advance. Thus, there is a sharing of cost between the federal and provincial governments under this joint scheme, but each province administers it for its own territory.

During the fiscal year ended March 31, 1961, there were 16,453 applications considered by the provinces. Of this number 6,398 were approved, 9,331 were declined and 724 were not completed. Federal contributions to the provinces and territories amounted to $16,385,819.54 in that year.

The hon. member, by his resolution, seeks to broaden the act under discussion so as to admit more of the 9,331 who were declined but it must be borne in mind that many of these were entitled to receive, and did receive, benefits under other joint federal-provincial schemes, particularly the Unemployment Assistance Act. This latter act came into effect only six months after the Disabled Persons Act and was intended, no doubt, to complement it. It has done so with good, but not complete, success, and as long as there is any loophole to be plugged, I for one along with the hon. member for Simcoe North, am all for plugging it.

I am not certain, however, that broadening the definition of the evaluation of invalidity is the answer. It may be more desirable to increase the benefits to those clearly entitled under the present definition, than to set a precedent by advancing the borderline to increase the number entitled.

All hon. members will bear in mind that presently the whole scheme of pensions for all categories is being reviewed in pursuance of declared Liberal policy, and the contents of the speech from the throne.

We know that there will shortly be introduced into this house and this country a comprehensive contributory portable pension plan. Contrary to what the hon. member has said, the government is studying not only survivor benefits but disability benefits. If agreement can be obtained with all the provinces there would seem to be no reason why this new comprehensive plan should not include disability benefits. Then all our social security insurance would be written into one new national policy which would be fair to all across the land, and the act under discussion would be repealed.

However, whether the act stands or is repealed, there is need for concern in this matter and I can assure the hon. member for Simcoe North that his motion with regard to extending the benefits on the basis of unemployability is being thoroughly studied by actuarial, social and medical experts in the Department of National Health and Welfare.

Mr. Speaker, there are many disability benefit programs in existence in different countries. There is, however, no uniformity of disability evaluation under such programs. In Canada the rule or definition for disability evaluation is contained in one subsection of the disabled persons regulations under the Disabled Persons Act (Office Consolidation, 1961). Section 2, subsection (2) thereof provides:

"For the purpose of the act and these regulations, a person shall be deemed to be totally and permanently disabled when suffering from a major physiological, anatomical or psychological impairment verified by objective medical findings which is likely to continue indefinitely without substantial improvement and, as a result thereof, such person is severely limited in activities pertaining to normal living."

With respect to administration, assessment of permanent and total disability under the Disabled Persons Act is carried out by joint federal-provincial medical review boards in each province, which are guided by the disability evaluation manual (first revision) September, 1957, prepared by the Department of National Health and Welfare. Chapter 11, interpretation of definitions, provides the official interpretation of the specific phrases in the definition. On pages 5, 6 and 7 an explanation is given of the key phrase, "as a result thereof, such person is severely limited in activities pertaining to normal living". The criteria to be followed in making an assessment of functional impairment in terms of activities of normal living are set forth. It is clear that the determination of disability is based upon loss of functional capacities imposed by the impairment. On page 8, the responsibility of the medical review boards in referring all potential rehabilitation cases to a rehabilitation assessment team for appraisal and for beneficial therapy is stressed.

In addition to medical appraisal, a social report designed to provide medical review boards with a clear picture of the applicant in his normal circumstances is required. It provides evidence of the degree of actual handicap which the impairment imposes, and should also indicate the extent to which the applicant has overcome difficulties in the past. It helps to identify those persons who would be capable of helping themselves if they received special assistance.

Great Britain, New Zealand and Australia have various disability benefit schemes in effect. In each country there is some provision for benefit for loss of working capacity as a result of permanent disability.

The international social security association in its report on the activities of the working group on the problem of harmonizing the criteria for the evaluation of invalidity, published in its bulletin for October, November and December, 1962, recognizes several elements posed by the complex problem of invalidity evaluation. Interested hon. members will find in this report in the library that the working group, as a first step towards the harmonization of criteria for the evaluation of disability, has recommended certain principles and methods. The original intent of the Disabled Persons Act was to meet the needs of a group of severely disabled persons who, for mental or physical reasons, were unable to provide care for themselves and who presented problems not merely of unemployability but in respect to capacity for self-care. A sickness survey, undertaken some years before the act was passed, indicated that this group was a sizeable one and deserved the next priority in the progressive development of social security measures that was being undertaken by the Liberal government of the day.

It was specifically intended that the concept of employability would not enter as a basic consideration in this program. There were two or three important reasons for this. One was the extreme difficulty of defining employability. In everyone's experience there are persons who are able to surmount the most severe handicaps and achieve a livelihood through the maximum utilization of their remaining capabilities. A further factor was the determination of the government at the time to keep the concept of rehabilitation to the fore, and not to make allowances available to persons who should be encouraged to utilize to the full the rehabilitation services that were then available and which were being encouraged through the federal-provincial rehabilitation program. This was a

point that was emphasized by many of the best authorities in the field. To emphasize this point, the act itself provided that even those who were eligible under the permanent and total disability clause could be further assessed for rehabilitation or approved therapeutic measures. This provision was included to ensure a positive and constructive approach by encouraging rehabilitation and therapy whenever benefit was considered likely to be derived.

The Disabled Persons Act from the very outset provided a valuable measure for those eligible within its terms. All provinces took advantage of it, and for many years there was a steady increase in its coverage. It continues to the present time to perform a necessary and highly valuable role in Canada's social security program as indicated by the case load which in March, 1963 reached 50,600.

Even at the time that the Disabled Persons Act was being developed, discussions were proceeding between the federal government and the provinces for the development of a program which would help to meet the needs of those who could not qualify under the terms of the Disabled Persons Act. I am referring again to the Unemployment Assistance Act which, after discussions with the provinces in 1955, was enacted in 1956 retroactive to July 1955. Under this measure the federal government pays approximately one half the costs of assistance to residual groups of persons not aided under such special programs as those for the aged, the blind and the measure under particular consideration now, the Disabled Persons Act.

Mr. Speaker, there is not sufficient public knowledge of the role this legislation has played in the development of provincial programs of general assistance for the residual group in need, and also for special groups such as the type of person that is envisaged in this resolution. The way in which the provinces have developed their general assistance programs under this legislation has, of course, varied from province to province—indeed, this has been held to be one of the advantages of the legislation in that it has allowed the provinces to undertake measures which are suited to their particular needs. Many provinces assist all types of needy persons under roughly similar provisions, but in a majority of provinces some special attention has been given to some or all of the types of persons referred to in the resolution. It may be of interest to hon. members to have some specific examples of the measures that exist for the group referred to.

In Newfoundland, social assistance may be granted to persons who are temporarily or permanently unable to work because of mental or physical incapacity. The program is administered by the province in a manner similar to disabled persons allowances, and the benefits under the program may be adjusted to take into account any dependants of a disabled breadwinner.

The province of Nova Scotia also provides, under part I of its social assistance act, for assistance to disabled persons between the ages of 18 and 65 who are not able to qualify for disabled persons allowances. It is my understanding that this benefit does not vary with family size, although there are other provisions in the act to provide for disabled fathers with dependant children; in the latter case, the provision of assistance is, of course, primarily related to the importance of providing support for the children.

In addition to the general provisions that it has for any persons who are unemployed and in need, the province of Quebec has a special program for persons who have been unemployed for more than 12 months, most of whom would be in the category under consideration. The benefits under this program are, as in the case of Newfoundland, related to the number of persons in the family, and the program is administered by the Quebec social allowances commission. It is also relevant to note that the province has developed a special program for widows and single women from 60 to 64 years of age, and undoubtedly in many cases assistance under this program because of need could be related to some form of disability.

There are two programs in Ontario for which federal sharing is now available and which are of interest in this discussion. Provision is made for assistance to families with dependant children in which the need is related to the unemployability of the father, including commitment to a mental or other institution. This program is administered by the department of public welfare through its regional offices throughout the province, and the benefits are paid on the basis of what is referred to as a needs test, under which the level of aid is related to the requirements of the family, as well as any other income that it might have. With effect from May 1, the province of Ontario has also developed a pension program for widows and single women from 60 to 64 years of age as mentioned by the hon. member for Simcoe North (Mr. Smith). This pension is paid on the basis of a means test and carries a maximum benefit of $65 per month, the same as that for disabled persons allowances.

Because of the similarity of their programs, I might refer to the provinces of Alberta and Manitoba together. These provinces have enacted legislation which provides for the payment of a social allowance to any person

who is unable to earn an income sufficient to pay for the basic necessities of himself and his dependants because of age or physical or mental ill health or incapacity that is likely to last for more than 90 days. Hon. members will note that this is the type of comprehensive coverage referred to in this resolution. The costs of these allowances are, as in the case of the programs referred to above, shared under the Unemployment Assistance Act and, Mr. Speaker, you may be interested to note that in March 1963 there were about 17,000 persons, including dependants, assisted under the social allowances program in Alberta. I believe that the program is now fully in effect in that province, but it is my understanding that the province of Manitoba has adopted a more gradual approach in the implementation of its program, preferring to proceed with it at a pace which will be in line with its fiscal and administrative capabilities.

There are two provinces to which I have not yet referred, British Columbia and Saskatchewan. In British Columbia social allowances are payable to any persons who are unemployed and in need, without making a distinction between employability and unemployability. The program is administered co-operatively by the province and its municipalities, and the benefits are related to the number of dependants in the recipient's family.

In Saskatchewan, assistance to the group referred to in the resolution would, I believe, be provided under two programs. In cases where there are dependant children in the family and the need could be related to the disability of the father, provision is made for assistance through the aid to dependant families program. Other persons in this group can be assisted through the municipal social aid program, and in both cases the amount of assistance paid is related to the requirements of the recipient and his family. It is my understanding that there is in Saskatchewan a good deal of provincial-municipal consultation concerning the provision of social aid, and that every effort is made to assure that the needs of recipients are adequately met.

Hon. members will note from this review that the framework within which assistance is provided varies from province to province, and that the coverage of existing programs is broader in some areas than in others. This, of course, is to be expected when the fiscal capabilities of the various parts of the country are borne in mind, and I should hasten to emphasize that the federal government stands ready under the Unemployment Assistance Act to share in any more broadly based programs that the provinces may see fit to adopt for the disabled or other needy groups.

The Acting Speaker (Mr. Batten): I regret to interrupt the hon. member, but the time allotted to him has expired.

Mr. Bert Leboe (Cariboo): Mr. Speaker, I shall only take a moment or two on this resolution. First of all I would like to compliment the mover for bringing the matter to the attention of the house, and I think it would be advisable for us to give consideration to the proposal contained in it. We have a good many unemployed people and it does not seem right that we should be putting persons who are crippled in a position where they must seek employment while we still have healthy people, able-bodied people, on the unemployment roll. If this were the basic background to our thinking we would go much further in accomplishing what we are trying to do for the people who are in need of assistance.

I hasten to add that we should not deny an individual who is handicapped the right, if he so desires, to seek employment and do what he can to look after himself. That is a right which should never be denied to anyone, and when I say that I am thinking of a person in my own constituency who has no fingers on either hand and yet he is a heavy duty mechanic. He can take a D-7 tractor down, repair it, do all the welding and cutting that is necessary, and in fact is quite able to do almost anything people who have the normal complement of fingers can do. He can reach in his pocket, pull out cigarette papers, roll a cigarette and light it. He wants to do things for himself and he is not looking for help.

However, the case of able-bodied people who are unemployed must certainly be taken into consideration. I have another case in point where an arthritic, who was very badly crippled, became mobile and could walk without a cane after a series of operations. It was said to him, "You had better start looking for work", and his reply was "why should I look for work when my son, who is 21, is out of a job?" That is the type of thing we should consider in connection with this resolution.

The natural outcome of this age of technological advance and automation is social security. Therefore I think we should be looking forward to broadening legislation in this house so that it can be applied by the provinces in a more generous way where the provinces are able to give generous treatment so far as the disabled and physically handicapped are concerned. If the legislation were

broadened to allow this, we would find we would get a far more equitable distribution of the benefits due to our people as the natural outcome of automation and technological advance.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I too want to congratulate the hon. member for Simcoe North (Mr. Smith) for bringing in this resolution and bringing to the attention of the house the difficulties I am sure most hon. members have had with respect to the definition of total and permanent disability. At the same time I want to say that I have listened with interest to the remarks of the hon. member for Spadina (Mr. Ryan). It is really too bad he is not a member of the cabinet because we have got far more out of him about what the government is doing and intends to do in the field of social welfare than we have been able to get out of ministers sitting on the treasury benches. But, even if we have to get it from a backbencher, it is good to know that an overhaul of our social security legislation is coming and that all these various matters will be dealt with.

This is the first time I have realized that the proposed contributory portable pension scheme would include something for disabled persons at 18 years of age, because after all that is what the Disabled Persons Act provides—for assistance where it is needed to people at that age.

Mr. Speaker, we have been asked by the Minister of National Health and Welfare (Miss LaMarsh) to contain ourselves. It will be easier to do this, now that we have this backbench assurance that we are going to get some pretty extensive social security legislation during this session. The hon. member for Spadina (Mr. Ryan) made some references to the origins of the Disabled Persons Act. Some of us who were here when it was introduced can remember the circumstances quite well. There had been repeated representations across the years for legislation in this field, but like other such representations they had not been heeded until about 1953 when the prime minister of that day, Mr. St. Laurent, received a personal letter from a disabled individual, a letter couched in such terms that it made a personal appeal to him. The word we got was that he felt so concerned about the plight of incurables and disabled persons that he decided something ought to be done. As a result of that, the research done in the department came into play and we got the legislation.

Well, it was good to get it, and it is good to know that the number of people cited by the hon. member for Spadina are being assisted under that legislation. We agree with him that we have to have a broad welfare policy. We have to look to the needs of our people under various categories and various headings, and we should not just try to solve the problem in the simplest way.

Our welfare policy has grown up like Topsy, and it is time we had a good look at it. The very review which the hon. member for Spadina has given, showing the differences that obtain across the country, makes it obvious we need a wholesale review of our social welfare policy. But it still stands as incontrovertible that if we are going to have —and I am glad we have—legislation providing allowances for disabled persons on the basis of disability, then the definition of that disability should be such as to provide allowances to persons who are readily recognized as disabled.

I am sure that my experience is not unique. I have had a good many instances where individuals, who to me were obviously disabled, have not been able to get the allowance because they could not meet the terms of the definition. The fact is they were still alive. They could move about a bit. I am going to read a few sentences from a letter about one case, and I am sure that other members can produce similar letters. I quote this in support of our contention that the definition as it stands under the Disabled Persons Act is far too narrow. The letter I have in my hand I will identify as one written to me by the chairman of the old age assistance and blind persons allowances board of Manitoba. That same board handles allowances under the Disabled Persons Act. The chairman wrote me about a case I had been taking up with him, and he said in part:

> It seems quite apparent that his—

The reference, of course, is to the individual about whom I had written.

> —heart condition is such that he is unable to work, but this condition would not prevent him from going about the regular routine involved in normal living if he does not try to do things too hurriedly.

That is not my description. I saw the man and I had written to the chairman of the board in Manitoba that just as a layman seeing the man I could see that he was disabled and unable to work. This is the chairman of the board admitting to me that because of the man's heart condition he is unable to work, but saying that this should not prevent him from going about the regular routine involved in normal living provided he does not do things too hurriedly. So he could not get the allowance.

The chairman went on to tell me in this letter that up until a certain date this individual had had a job. He had been running a dishwasher machine in a certain hospital

in Winnipeg but he had had to give up that job because of an operation he had to have on his stomach. The man already had difficulty with his legs, he already had a heart condition such that he could not work, and on top of that he had an operation on his stomach. I quote now from the letter:

> After his operation he was too weak and short of breath to go back to this job. I was concerned about this case—

This is the chairman of the board writing to me.

> —and discussed the details somewhat fully with members of the medical panel. I suggested to them that the loss of most of the stomach in the recent operation—

This is on top of the heart condition and so on.

> —might well make the applicant eligible. Their response to this was that while it might make him feel a sense of discomfort and weakness after eating it was not in effect disabling.

Here is a man over 60 years of age with a heart condition such that he cannot work, a stomach operation as a result of which most of his stomach is removed and he feels a sense of discomfort and weakness after eating, but still he does not qualify as a disabled person within the meaning of the act. This particular individual was at the time of this correspondence between the ages of 60 and 65. It was ascertained that his wife would shortly be 65 so the suggestion was made, of course, that at that time the wife could apply for and no doubt obtain old age assistance in the province of Manitoba, and that once she got old age assistance it would then be possible for her to apply for social assistance—

Mr. Smith: Relief.

Mr. Knowles: Yes—on the basis that her husband would be her dependant. Surely the hon. member for Spadina will agree with me that, though it is fine to say there are these various programs it does not exactly qualify as a definition of human dignity to say to a man in this position that the only way in which he can qualify for any kind of assistance at all is by waiting until his wife is 65 so she can get old age assistance, and on the basis of that get extra so-called relief for him.

This is one case. I admit it is the most glaring of the recent ones I have had occasion to deal with. I know we have all had cases like this one. But I submit that even if there is going to be the overhaul of social welfare legislation that the hon. member for Spadina has promised on behalf of the Liberal government it is still incumbent upon us to take another look at the definition of total and permanent disability in the Disabled Persons Act. Along with the hon. member for Simcoe North (Mr. Smith), the hon. member for Cariboo (Mr. Leboe) and others I think that the definition should be liberalized so that the act will really provide allowances to persons who in ordinary terms are disabled.

Mr. W. H. McMillan (Welland): Mr. Speaker, I was glad to hear the hon. member for Winnipeg North Centre (Mr. Knowles) give a former prime minister, Mr. St. Laurent, credit for introducing the Disabled Persons Act. I recall that the bill was introduced in the house by the present Secretary of State for External Affairs (Mr. Martin) when he was minister of national health and welfare. Prior to that time the Canadian welfare council in 1954, I believe, submitted a brief to the government, probably in anticipation of such legislation, and they attempted to classify unemployed persons under three heads. Under the first one they included the group who were obviously permanently and totally disabled and had no prospects of any improvement or cure. These people in future, they thought, would obviously receive payments under the act.

The second group comprised those persons who had some handicap but were able to do some work and thus support themselves in whole or in part. The third group consisted of those people who fall between the extremes of the other two groups and about whom we are concerned here. They are those people who cannot be classed as totally and permanently disabled but are unable to work and make a living. In presenting his resolution today I suppose the hon. member for Simcoe North (Mr. Smith) is proposing to include some or all of this particular class of people under the act.

Last year the act was before the house for amendment and the purpose of the amendments was twofold. One purpose was to increase the maximum monthly allowance to $65 and the other was to increase the over-all earnings that a person might have. In the case of a single person the increase was $180 and in the case of a married person it was $360. I remember that at that time members of the house urged the minister to go a little further and enlarge the definition. He read the definition to us and I think that the definition, which has already been read by two members today, would cover the particular cases that the hon. member for Simcoe North has in mind. It would include those with a physical or mental disability or impairment.

So far as age is concerned, persons cannot qualify for a pension under this act at the present time unless they are 18 years of age. I could not conceive of any province wanting to share with the dominion and making of

payments to anyone 70 years of age and over because the federal government bears the full cost of old age security in this area.

I have been somewhat concerned over the years with the difficulty we have had in getting some of these people included under the act. I know that medical men are not aware of the different cases that might be included. We fill out a form for the applicant, and it is a rather extensive form. We send it in to a review board. The review board may send back for more information or may refer the case to a specialist. If there is any difference of opinion between the applicant's medical man and the review board, then the case is sent to an appeal board which is made up of a doctor appointed by the federal government and one appointed by the provincial government. If these two doctors do not agree, then another provincial medical man is appointed.

Since this is a cost-sharing program, the payments are made after a means test. The provincial government sends out an investigator to look into the financial situation of the applicant. I do know that these investigators inquire into other things as well. I recall that last year one hon. member stated that a particular patient, and he was a patient because he had been sick before making application, had incurable heart disease. He was declared to be permanently and totally disabled; yet because this particular investigator found he had walked out into the garden, his application was disallowed. I do not think this sort of thing should be permitted.

Mr. Rynard: Mr. Speaker, I wonder if I could ask the hon. gentleman a question? What would he think of having the doctor certify this person as being totally disabled and then if the board is not willing to accept that certification another independent doctor might be asked for his opinion. I know the hon. gentleman has had a good deal of experience in this field over the years. My feeling is that the local family doctor knows the case better than any government official who is miles away and never sees the person concerned. If the board does not want to accept the decision of the family doctor, then let them call in an independent physician in the area to give his opinion. I believe this has been done over the years under the mental health act in the province of Ontario. I should like to get my hon. friend's views based on his experience over the years.

Mr. McMillan: I think that would be a good idea. I believe, in fact, they do that now in some cases. I do not believe a review board, sitting at some centre miles away and passing on reports could always make a very good judgment on whether or not a particular case should come under this act. I do know that in some cases the board has another local doctor in the area examine the patient.

(Translation):

Mr. J. A. Habel (Cochrane): Mr. Speaker, I did not intend to participate in this debate but I should like to congratulate the hon. member for Simcoe North (Mr. Smith) for having introduced this motion to call the attention of the house on the urgency of amending the regulations governing assistance to the disabled.

In my riding as elsewhere, it often happens that people are deprived of the assistance to which they would be entitled because, after all, one does not have to be totally incapacitated to be entitled to the assistance given to the disabled. In fact, this legislation which was put on our statute books by a Liberal government, as the hon. member for Winnipeg North Centre (Mr. Knowles) stated so rightly a moment ago, could be amended with the co-operation of the provincial governments so as to cover certain cases of invalids who are absolutely unable to get any work.

In the past, I have met constituents of mine who could get around by themselves in their own house but who could not do any kind of work. I am thinking especially of epileptics who could not work at all, not even in an hospital, for instance, if they wanted to do so. That is why I wonder if it is truly in the spirit of the law to require that such a person should try to find some work.

It seems to me that there should be some way of changing the law in that respect and, once more, I commend the member for Simcoe North for having called the attention of the house on that situation.

(Text):

The Acting Speaker (Mr. Batten): It being six o'clock, the hour for private members' business has expired and the house will resume the business which was interrupted at five o'clock.

SUPPLY

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

INTERIM SUPPLY

That a sum not exceeding $1,430,259,968.45, being the aggregate of—

(a) four twelfths of the total of the amounts of the items set forth in the main estimates for the fiscal year ending March 31, 1964, laid before the House of Commons at the present session of parliament, $1,282,100,552.00;

(b) an additional five twelfths of the amount of loans, investments and advances item L20, $416,666.67;

Interim Supply

(c) an additional four twelfths of the amounts of fisheries item 45, northern affairs and national resources item 10, public works item 190 of the said estimates, $737,333.34;

(d) an additional three twelfths of the amounts of atomic energy item 5, mines and technical surveys item 45, northern affairs and national resources item 5 of the said estimates, $307,025.00;

(e) an additional two twelfths of the amounts of agriculture item 100, external affairs item 78, mines and technical surveys item 80, public works items 20, 135 and 195 of the said estimates, $2,376,416.67;

(f) an additional one twelfth of the amounts of external affairs items 60 and 65, fisheries items 30 and 85, forestry items 15, 25 and 35, legislation items 40 and 45, mines and technical surveys items 30, 35, 40, 50, 70, 100, 105, 125 and 130, national research council item 1, national revenue item 25, public works items 125 and 185, trade and commerce items 15, 20 and 28, transport item 222, of the said estimates, $11,626,316.77;

(g) four twelfths of the total of the amounts of the items set forth in the supplementary estimates (A), for the fiscal year ending March 31st, 1964, laid before the House of Commons at the present session of parliament, $110,163,277.67;

(h) an additional seven twelfths of the amounts of external affairs item 96a, loans, investments and advances item L63a, $15,665,416.67;

(i) an additional five twelfths of the amounts of northern affairs and national resources item 110a, loans, investments and advances item L13a, $5,841,005.42;

(j) an additional one twelfth of the amounts of fisheries item 30a, public works items 20a and 135a, transport item 222a, $1,025,958.34;

be granted to Her Majesty on account of the fiscal year ending March 31, 1964;

Provided the amounts hereby authorized to be paid and applied in respect to these items shall be deemed to include and not be in addition to the amounts authorized for such items by the special warrants issued by the Governor General pursuant to orders of the governor in council of April 1, 1963 (P.C. 1963-546) and of May 2, 1963 (P.C. 1963-702).

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Nugent: Mr. Chairman, this is the first opportunity I have had to speak as a member of the opposition. It goes without saying that I am not happy to find our party sitting in this part of the house, but it does seem to me that there are certain compensations to being in the opposition. Being of Irish ancestry I have been much taken with that old saying, "Oh, I don't care who the government is; I'm agin 'em". Knowing the members of the treasury benches as I do, I feel there will be many opportunities when I will be called upon to criticize. If I am going to damn the government, I feel there will be times when I will be doing so most forcibly and I want to assure my hon. friends over there that in those circumstances I shall be doing so most happily.

[The Acting Speaker (Mr. Batten).]

Tonight, however, I intend to be quite gentle. I want to speak on a subject that is, I think, rather important, not just to my immediate area but because it reflects air policy and its importance throughout Canada in the approach that the air transport board and the government itself may take toward new air services. We have just had inaugurated from Edmonton to Calgary by Pacific Western Air Lines what they call an air bus service to Calgary. About three years ago the runways of the new international airport at Nisku started to be used. T.C.A. then changed their operation from the municipal airport at Edmonton to the Nisku airport and the only air service we have had connecting Calgary and Edmonton has been by T.C.A. via Nisku.

I pointed out in a speech in this house in 1960, and again in the 1960-61 session, that this means an extra half hour taxi ride out to Nisku, that if T.C.A. were not prepared to operate out of the municipal airport at Edmonton, someone else should be allowed to do so. I feel that connecting flights could reasonably operate from Calgary to Nisku, but for just intercity flights without connections across Canada the convenience of Edmonton and Calgary businessmen could only be met with a service that operated out of that airport to ours in the middle of the city. It has been three years now since the runways were opened at Nisku, and the main building will soon be completed. I believe there is a total investment in Nisku, when finished, of approximately $25 million. There is naturally much pressure on D.O.T., considering the size of that investment, to see that the facilities at Nisku are used to the fullest extent possible. There is also much pressure on the Department of Transport by various groups and people in the city of Edmonton who feel, for one reason or another, that our airport, located as it is in the heart of the city, is too dangerous to operate.

Because of this latter approach the Department of Transport not too long ago raised the safety standards at the Edmonton municipal airport to the extent that it was no longer permissible or possible for any air line to give service out of that airport by Viscount aircraft and, as I said, they changed to Nisku. I thought that this raise in the safety regulations was unnecessary, that there was already a sufficient safety factor and this further, more stringent regulation was not needed from a safety viewpoint and had the effect of depriving us of the benefits of good service. There has been a suggestion now that the Department of Transport is considering raising these safety regulations. I

would suggest that the only reason they would be doing this is to try and discourage commercial air service out of our downtown airport. I would suggest to the committee that the commercial service out of Edmonton consists in good part of the Edmonton-Calgary service and in part of the service to Grande Prairie, Peace River, etc., all of which, because of the very shortness of the flight time, can be added to immeasurably if they are served out of the municipal airport. The flight time from Nisku to Calgary is only 45 minutes. To get on a T.C.A. aircraft you are supposed to arrive 20 minutes early, with a 30 minutes taxi trip to get out there. That is 50 minutes before flight time. Then there is further time at the other end waiting for your bags, so it comes to about two hours in all for the trip.

It may be said that T.C.A. lose a considerable number of their passengers to not only the private automobile but also the C.P.R. Dayliner which gives very good service running from the centre of town to the centre of town. I am sure the Department of Transport in their ideas of further improving safety regulations at the municipal airport are going to have the blessings, if not the connivance, of T.C.A., which I can understand. They feel the air bus service of P.W.A. is going to take away most of their business. I merely suggest to the Minister of Transport that really P.W.A., with their air bus service, will be able to operate and make a profit out of just that business that T.C.A. would never have gotten anyway, because it was too inconvenient operating out of Nisku. With the air bus service there are no reservations. A man merely goes out to the airport a few minutes before plane time; he gets on board with his bag in his hand, is sold a ticket on the way down, and when he gets off there is no waiting for his baggage. He saves at least an hour. The only way T.C.A. could compete with this sort of competition would be to inaugurate such a service.

I would like the Minister of Transport to take a look, if he would be good enough, at my speeches in this house on this problem. They are to be found, for 1960 at page 4469 of *Hansard,* and for the 1960-61 session at page 5112 of *Hansard,* where I asked T.C.A. for this sort of service, where I pointed out to the Minister of Transport these problems, and where I pointed out that the first result of this new, expensive airport at Nisku was a poor air service for Edmonton. I can assure the minister that, while I am always ready, willing and able to give the government a good deal of abuse when I think they need it, and I can foresee considerable criticism descending on the government's head, because there is such a large investment at Nisku which has not been used as much as the planners had hoped at the time it was started, if he will resist the efforts of those who would like to divert everything to Nisku to make it look better, he will never hear a complaint out of me that the costs are too high at Nisku. We in the city of Edmonton appreciate very much the fact that jets, with their noise problem, are not operating right out of the city, that we do not have in Edmonton the sort of complaints that cause so much trouble at Dorval. We also appreciate the extra safety factor of these very high speed aircraft being out in the country where the maximum safety regulations can be observed. But there is such a thing as being too safe and too cautious. Air regulations are already so much more stringent and our traffic is now so much more safe that to increase it further would have the effect of entering the realm of unreality. I suggest to the minister before the government makes the safety regulations even more stringent than they are it should envisage precisely what this would mean to air traffic compared with the situation which exists for railway, motor vehicle, truck and bus traffic in our cities. I suggest that if these other forms of transport had to operate up to the safety standards which now prevail in connection with Edmonton municipal airport it would be impossible for 90 per cent of the traffic now on our streets and railways to run at all. Heavy truck traffic would not be allowed to enter our cities, and all level crossings would have to be abolished if trains were to continue to run.

I am aware that air crashes are spectacular and that they are given a great deal of publicity. But I am also aware of the fearful toll on our highways and the rather large number of train-car collisions. Obviously, in this age of fast travel people have become accustomed to taking a certain amount of risk and will accept a certain amount of risk in keeping with the realities of modern transport necessities. I am suggesting that a fair comparison of the handicaps under which our air transport now has to operate in the name of safety as compared with those imposed on other fields of transport would show that flying has already been hobbled with ten times the strictness known to any comparable type of transport. I am suggesting that for three years the businessmen of Edmonton and Calgary have had to put up with an air service much decreased in usefulness. They had lost much of the value they might have been getting out of it long before we began spending these huge sums of money at Nisku. The arguments in favour of the development

at Niksu will not be strengthened by imposing regulations which make it impossible for aircraft to operate out of the municipal airport.

I pointed out in earlier speeches I have made on this subject that judging from today's use of aircraft and today's conditions the continued use of this airport is now amply justified. The site is a most convenient one and the city of Edmonton is very lucky to have it now. I suggest the minister reflect a little on the type of aircraft which is now being developed. I suggest he use a little imagination to envisage the direction aircraft design is taking. He might give consideration to the fact that short run aircraft and vertical take-off aircraft are now being developed and that within a few years the so-called dangerous aspects of travel to and from municipal airports may have been removed as a result of changes in the type of aircraft in operation. I cannot see how this or any other government could justify taking steps which might have the effect of closing down this airport before we have really had a chance to enjoy the benefits of it.

One reason why I was anxious to make this speech tonight is that I want no suggestion that the government is sticking its neck out with regard to the safety factor. I try to get re-elected from time to time in the city of Edmonton. I am aware of some of the feeling on this subject and I want to give notice of my views in this regard as publicly as I can. I think the safety factor is more than sufficiently high. I will go further, if it will help give the minister a little courage, and say that even if there had been a major crash—and there has not—I would still hold the same point of view. I want to assure the minister he will have my backing if he will stiffen the backbone of the government with regard to this one aspect which might appear to him to be open to criticism.

I want to emphasize the importance of this airport to communications with the north. This balance of convenience affects the people of Grande Prairie and Peace River as well as those of Edmonton and Calgary. I am sure the people who live in northern Alberta are anxious to save that amount of time which makes it possible for a businessman to get a day's work done on a trip into town. I hope the minister will do me the honour of reading my previous speeches on this subject; that he will look at the reasons for possible criticism and make a realistic appraisal of these air regulations. I say the city of Edmonton now has the highest standard of air safety in the country and that any suggestion of changing it to a still higher standard is merely a way of depriving us of the air service for which we have waited for so long. Next, I say that Trans-Canada Air Lines must have a hand in any such suggestion and that T.C.A. really cannot say Pacific Western Air Lines is running any competition to them because, as I have pointed out, P.W.A. is flying customers that T.C.A. would not have a chance to get, anyway.

I hope the minister will give me notice of any new developments in connection with Nisku airport. While I can be harsh with the minister at times, I must be fair to him with regard to his policy as to this new international airport. This airport was planned, but construction had not been started when the Conservative government came to office in 1957. Construction was carried on as was originally intended and it can fairly be said that whether this project was wise or not, and whether it has cost too much or not, criticism can hardly be levelled by one party against another. If the total investment does not now appear to be justified by the amount of air traffic I submit that it is impossible to judge very accurately in advance the rate at which air traffic is likely to grow and what demands may be made on the airport in the future. The optimism felt at the time this airport was being planned and built may yet be justified by the demand for services. So I ask the minister to bear up under any suggestion that the cost has been too high, and I pledge him my full support in this regard. I suggest we are in the same position with regard to Edmonton municipal airport. If the hon. gentleman would like to keep our relations on this friendly and co-operative basis I hope he will give my plea in this regard some attention. However, if these regulations are changed again, resulting in the loss of the air service we now have, he will wish he had never been born.

(Translation):

Mr. Côté (Chicoutimi): Mr. Chairman, for nearly two hours last Friday, we of the Social Credit party refrained from speaking in the house so as not to delay approval of interim supply which total over $1,400 million, because we feel that it is urgent to settle the administrative problems of Canada.

However, since members of the other parties keep on getting up, and since there will obviously be other speakers, I do not see why we should not exercise our right of speech. The constructive remarks I intend to make will be as brief as possible because the government is faced with many difficult problems. I hope it will face up to the situation but I doubt it very much, unfortunately. For instance, we know that Canadians are among the most heavily taxed people in the

world, since they hold the fourteenth rank with 24.8 per cent of their income going to taxation. On the other hand, everybody knows that the government has been served with an ultimatum by the premier of the province of Quebec concerning the recovery of part of the taxation fields which were taken over by former Liberal administrations.

On May 21, 1963, *Le Devoir,* a newspaper which is highly sympathetic to the Liberal party, published the following article:

> This first month has been most deceiving as far as taxation is concerned. Not only does Ottawa seem to have forgotten Mr. Jean Lesage's ultimatum but the speech from the throne provides for several projects which indicate that the basic attitude of the federal wing of the Liberal party has not changed much since 1957. The language used is more courteous, and the government takes a softer attitude towards the provinces. The federal Liberals have just finished a term on the opposition benches and that has just about given them time to lose their former arrogance.

The present government should meditate this harsh statement because they should not forget that in 1955, under a Liberal administration, there were 600,000 unemployed in Canada, according to *Hansard* of that time. If our friends opposite could not settle this tragic problem when the times were good, how will they be able to do so when more and more machines are replacing workers in big industries? That is the question which is in the minds of three million underfed Canadians at this time.

I have nothing but admiration for the Minister of Finance (Mr. Gordon), one of the greatest accountants in Canada, a man who knows perfectly how to administer a budget.

But if the Liberal government stays in the old beaten track, that is if it keeps repeating the same mistakes of the old traditional economy, it will not be able to get out of the blind alley of unemployment, which is the great plague of modern times, and it will but maintain this system of inflation that has brought us nothing but depreciation, crises, bankruptcies, economic slumps, wars, debts, misery and insecurity.

What I find most surprising, Mr. Chairman, it is that the Liberals should claim to be modern men because they like modern weapons, but in matters of political economy, they would rather stand up for the old financial regime of inflation which has caused so many upheavals in our country, judging by their recent political campaign. As it happened, during that election campaign, a very good friend of the Liberal party, the president of the Montreal stock exchange, came to Chicoutimi and stated that "with Social Credit, there would be inflation and depreciation of all our stocks and real estate". It is obvious that his efforts were useless because I was re-elected with the same percentage as on June 18, 1962. That man did not forget his own interests while he was making his publicity for the Liberals, because he was advising his audience to "save, to refrain from consuming more and to invest in business in order to increase production". He did not have enough experience to know that we do not lack goods in Canada, but money to buy the goods produced.

The 700,000 Canadian families who receive an average $35 a week either from the unemployment insurance fund or from social welfare agencies know from their own experience and suffering that the fault is not with our production machinery but with our monetary system of debt money, of depreciated money and devaluated dollar, which has meant a loss by inflation of more than 60 per cent in the value of our Canadian currency since 1935, under Liberal and Conservative governments.

That is why, when I spoke to the Brazilian parliament, during the fifty first interparliamentary conference, which took place in Brasilia in October 1962, I stated before the assembled parliamentarians from every part of the world than the greatest problem today is to feed the hungry and to give security, together with liberty, to all citizens of the globe, and I added that we should revise our position in the financial field in order to allow every human being to benefit from the plentiful resources of man's earth.

Mr. Chairman, since the 1929 depression, the banking system is engaged in an unreversible process and, in spite of the entreaties of the opponents of Social Credit; the bank reform, a socialization or a planning for debt free credit, through the Bank of Canada, will soon have to take place in order to put a stop to this dying system of financial chaos. The issue of money and credit is a sovereign prerogative and should be under the sole control of a government agency, like the Bank of Canada. In the present economic situation, the government will be unable to manage the country on the basis of its people's needs if it does not adopt a bold financial policy, which the Social Credit has been advocating for 40 years and which has been endorsed by the most prominent economists in the world.

Some hon. Members: Oh, oh.

Mr. Côté (Chicoutimi): Maybe not by yours but by the most famous.

Lately, in the *Paris-Match* magazine, one could read a serious warning, from the great French economist, Jacques Rueff, the general inspector of finances in France, who said this:

All the countries of the free world are threatened by inflation because the present monetary system is based on an heresy—

And further on:

—the world is going towards a crisis as serious as the one which occured in 1929. A vast international monetary agreement is needed to prevent it all.

This is, Mr. Chairman, a problem much more urgent than that of the nuclear arms.

I want to stress before the house that the Social Crediters are the staunchest supporters of independence, since they favor independence not only for Quebeckers but for all Canadians, because they want and desire freedom for one and all, but that freedom cannot be obtained if we are not freed from financial powers. Here is the first freedom to conquer, a freedom without which all the others would be meaningless.

Before closing, I must ask the Liberal government what concrete steps it intends to take in the immediate future for the 35,000 poverty-stricken persons in the Saguenay area. The situation is so serious in our region that this task cannot be delayed.

What does the Liberal government intend to do about the crown corporations which have purposely practised segregation towards my French Canadian fellow citizens?

For instance, only three of the 16 directors of the Industrial Development Bank are French Canadians; at the Export Credit Insurance Corporation, there is only one French Canadian out of eight directors; Central Mortgage and Housing Corporation has only one French Canadian director on a board of 10. As far as administrative positions are concerned, the situation is the same at the Bank of Canada and in all crown corporations.

What about the employees of those crown corporations? The government must ensure that justice is done in all those fields because French Canadians will no longer accept being treated as second class citizens. According to a Liberal minister of the Quebec cabinet, Hon. Rene Levesque, in five years from now it will be too late.

To conclude, Mr. Chairman, between a system of private capital or economic liberalism which is supported by the old parties and which has led to the present economic chaos, and state capitalism, a system of centralization for the benefit of a welfare state which is advocated by the socialists, there is only one other way out, that is popular capitalism, a middle-term formula which gives every citizen the right of ownership, freedom and security by means of a financial system built upon a scientific basis, in accordance with modern statistical data in these days of mechanization and automation. Popular capitalism as conceived by the Social Credit party is a happy combination which puts the human person at the very heart of creation so that each individual may realize self-achievement according to his talents.

That is what the Social Credit party recommends so that each and every Canadian may have work and food besides the intellectual and spiritual fare which every human being needs.

(Text):

Mr. Barnett: Mr. Chairman, I am always rather inclined to feel sorry for the Minister of Finance whenever a debate develops on an interim supply motion. He usually finds himself in the position of sitting listening to matters concerning the sins of commission and omission of all his colleagues. However, I suppose under the principle of cabinet responsibility that is just one of the crosses he has to bear.

I am glad to see the Secretary of State sitting close to him tonight because I think that his most laudable desire to get this motion disposed of fairly quickly could be hastened if he would assure us that we could have a proper statement on the government's intention and policy with regard to a matter I want to raise. I might add I would like to see both the Minister of Fisheries and the Secretary of State for External Affairs present tonight to give a full statement on government policy with regard to the whole matter of the north Pacific fisheries. I do not see them in their places at the moment, but perhaps the Secretary of State could ensure that we do have, if not from one of those ministers at least from someone else, a proper statement of government policy on this matter.

There are many matters of importance which I could rise to deal with at this time, but I have selected this particular matter because I feel it is in the nature of an emergency subject, and also because of the fact that I am rather disturbed and distressed by the somewhat cavalier manner in which this whole question appears to have been swept under the rug by the new administration.

Hon. members who were here during the last parliament will recall that the whole subject matter of the international north Pacific fisheries commission and some recommendations it made to the Canadian government were a subject of interest and concern during the proceedings of that parliament, and that quite a number of questions were

addressed to the minister of fisheries as to what the intention of the then government were in this connection. While the former minister was perhaps a bit evasive in some of the answers he gave, nevertheless I think it is fair to say the house could get from his answers the distinct impression that, before any decision was made with respect to Canada's position on the recommendations made by the commission, there would be an opportunity for a full review of this matter before the standing committee on marine and fisheries.

Of course, as we all know, parliament was dissolved before anything of that sort took place. However, I am sure it would not have escaped the attention of some of these who now sit on the treasury benches that the then prime minister, during the period when parliament was dissolved, intimated in a statement he made on the Pacific coast that a decision on this matter of great importance to us in British Columbia would not be made until parliament had been reconvened and there was an opportunity for a full study of the whole question.

However, as the house is aware, or perhaps I should say as the house is not aware, the present government has made a decision in respect to this matter. I say that perhaps the house is not aware, because to my knowledge the only mention of this whole question and the action of the government upon it has been made outside the house. The new Minister of Fisheries has not even had the courtesy to stand up under motions, after parliament met, and make an announcement of what the decision of the government has been, although in reply to questions which were addressed to him later he has indicated the government has made a decision on this matter.

Mr. Chairman, I was a member of the house when we had a former Liberal minister of fisheries, and I think it is fair to say that discussion of fishery matters during that particular period was very largely non-partisan in its nature. If I might offer my own explanation as to why that was largely the case, I feel it was because for the most part hon. members of the house, who at that time had a particular interest and concern in fishery matters, while we might not always have been in complete agreement with the minister, nevertheless felt we had an adequate and full opportunity of looking into all fishery matters as they arose from time to time, and of participating in the discussions leading up to policy that was developed. I raise this aspect of the question because I feel it would be a sad thing indeed if this new parliament should get off completely on the wrong foot so far as discussion of fishery matters is concerned.

I want to report to the house that during the time since I first became a member of it—and as hon. members realize I have not been a member continuously since 1953—during the period of those 10 years I have been trying to devote some of my attention to matters relating to the fisheries on the Pacific coast, and I have never known the fishermen of British Columbia to be so deeply disturbed and concerned as they are now about the matters involved in this international north Pacific fisheries commission. Every fishermen's organization in British Columbia has taken a position opposed to the action which the government apparently took on May 8. The united fishermen and allied workers union, the Pacific trollers association, the native brotherhood, the native Indian fishermen's organization and the fishing vessel owners association are all opposed. I am fully aware of the fact that spokesmen for the fish companies have agreed with the action taken by the government. However, when there is such a wide gulf in opinion on such a basic matter I suggest that the Minister of Fisheries and the government were certainly ill advised indeed to come to the decision they did on May 8, particularly when parliament was so shortly to convene and when it would have been possible, I am sure, to have the full co-operation of all parties in the house in setting up immediately the marine and fisheries committee to look into this whole question.

This question may appear to some members of the house to be a matter of relatively minor concern, and in order to put it into perspective I should like to express its importance in these terms. If words were to come to this chamber that the whole of the three prairie provinces of Canada were in imminent danger of becoming a vast desert, I am sure that would be considered by members of the house to be a matter of urgent significance no matter from what part of Canada members might come. I suggest to the house that the north Pacific basin occupies an area considerably larger than the three prairie provinces and that its resources, which we share, of course, with some of the adjacent nations, in the long run may very well be more important and significant, more rich and varied and more capable of helping to sustain a high standard of living among the peoples of the world than the total resources of the three prairie provinces. Therefore I suggest that this is a most serious and important matter and the decisions that may be taken at this time may set a course which will affect not only the people of this generation but generations of Canadians yet to come.

The history of the matter is that 10 years ago the Canadian government entered into a convention with the United States of America and Japan for a treaty which would conserve and develop, according to its stated intention, the fishery resources of the north Pacific. That treaty set out some basic principles of agreement. It also set out some temporary arrangements which would apply during a certain period until our fishery scientists had had an opportunity of surveying the then still largely unknown resources of this vast fishery.

This treaty is subject to notice by any one of the contracting parties that a year from the date on which notice is given it will expire. I understand that the earliest date that such a notice can be given by any one of the parties is June 12 of this year. In reply to a question I asked the other day of the Secretary of State for External Affairs he indicated that preliminary negotiations are starting almost immediately in Washington in respect of this treaty. He did not indicate whether any one of the contracting parties had given any indication that it intended to serve notice of the termination of the treaty or, indeed, had served any notice whether or not it desired any formal renegotiation of the terms of the treaty. What he did indicate in his reply to me was that there was to be some preliminary discussion of a continuation of the abstention principle in the treaty.

This matter came to the fore last fall, of course, because of the recommendation of the international north Pacific fisheries commission when they recommended to the contracting parties to the treaty that there should be a watering down of the original abstention principle provided in the annex to the treaty. I am fully aware of the fact that the way the treaty is drafted and the way the annex is set out it is quite within the technical prerogative of the government to alter the basis of the abstentions, to which Japan agreed, without formal ratification by parliament. But I suggest to the committee that it is contrary to the whole spirit and approach with regard to what I have felt is the proper way to deal with fisheries matters in this house for the government to have taken action in the way it did.

I find it difficult to understand that the present Minister of Fisheries, even though he comes from one of the eastern maritime provinces, should have been so unaware of the significance of this matter and of the interest and concern which have been displayed in British Columbia, particularly in view of the questions which some of his fellow Liberal members were asking during the last session of the last parliament. Certainly implicit in those questions was a desire on the part of the Liberal members from British Columbia that this matter should go before the marine and fisheries committee at an early date. On November 23, 1962 the hon. member for Vancouver South put this supplementary question to the then minister of fisheries:

> Would the minister assure the house that before the government accedes to this recommendation we shall have an opportunity to debate the possibly tragic consequences?

I probably do not need to remind those on the treasury benches that the hon. member for Vancouver South is now Minister of Northern Affairs and National Resources, and it is rather surprising to me that he did not take the trouble to inform his colleague, the new Minister of Fisheries from New Brunswick, that it would be very advisable to convene the marine and fisheries committee in this connection.

I tried to point out a parallel of just how tragic these consequences could be. I am not saying that at the moment we are in imminent danger of exhausting the fishery resources of the north Pacific, but I do know enough of the history of my part of the world to know that the original development of white settlement on the west coast of Vancouver island was based upon the sea otter trade. The sea otter is something I have never seen and no British Columbians see any more because it is extinct. Then there was the fur seal trade. They became almost extinct until conservation measures were taken. A little later there was the problem with respect to whales. It was found necessary to bring about some sort of international arrangement for the conservation of whaling in the north Pacific. So it has been with our salmon and our halibut.

Tragic consequences can overtake us rather quickly, as has been proven more than once by actual events in the history of the west coast exploitation of the resources of the Pacific.

I am not going to refer to all the questions that were asked, but I should like to draw attention to the fact that the hon. member for Coast-Capilano, who I understand is fairly close now to the ear of the Prime Minister—at least for the time being when he is not talking about selling out crown corporations—asked the then minister of fisheries as to whether or not this matter was going to receive the attention of the marine and fisheries committee. As late as January 30, he was asking the minister if we could have this matter before the marine and fisheries committee.

I should like to contrast that with the answer I was given the other day, on May

29, when I addressed a question to the Minister of Fisheries. He said this, as reported on page 416 of *Hansard*:

> —I wish to state that when the government decides to convene the standing committee on marine and fisheries, the house will be advised accordingly.

Now, if I have ever received the ministerial brush-off during my time in this house, that was it. I am sorry that the minister is not here tonight. I do hope that some of his colleagues will give him a good jacking up about the manner in which he is apparently approaching this whole subject.

I do not know that I need to say a great deal more. Certainly, I cannot attempt, nor do I think it is necessary, to launch into a discussion of the ramifications of this treaty, what should go in and what should not in so far as a renewed or altered treaty is concerned. I believe I have made it clear that I consider that sort of thing to be properly the subject matter of a hearing in the marine and fisheries committee when we could have some of our competent scientists before us to answer questions and when we could have adequate representations from the fishermen and others concerned with the fishing industry.

I do hope that before this debate concludes we are going to have some sort of indication of the attitude the government is going to take in connection with this most important matter.

Mr. Pickersgill: Mr. Chairman, I am replying because the Minister of Fisheries is not in the house today. He has to be in Halifax where there is a meeting of the northwest Atlantic conference, which is also concerned with the subject of conservation about which the hon. member for Comox-Alberni has just been speaking in terms with which I certainly do not quarrel. I think those of us on both coasts are well aware—

Mr. MacInnis: What coast are you on?

Mr. Pickersgill: I have been elected five times in ten years, without any difficulty, in Bonavista-Twillingate, and I would remind the hon. member for Cape Breton South of that fact.

An hon. Member: Go on with the fish story.

Mr. Pickersgill: When hon. members conclude their interruptions, I should like to go on with the serious point raised by the hon. member for Comox-Alberni.

I am sure the Minister of Fisheries had no thought of any discourtesy to the house. I know that he has been very anxious to find a suitable opportunity upon which to make a full statement on this subject, and at a time when other hon. members would be able to express their views. I think that is the only reason he did not make a statement on motions. It is a little unfair to hon. members to make these statements on motions when there is no opportunity for debate. However, if it is felt by those hon. members who are particularly interested in this subject that it would be desirable for the minister to make a statement on motions, I feel he would be only too glad to do so at the first opportunity. I can bring that suggestion to his attention as soon as he is back in Ottawa.

So far as a meeting of the committee is concerned, I feel that as soon as these committees can be set up—we are seeking to do that as quickly as possible—I am going to ask the Minister of Fisheries to consult with other hon. members designated as members of that committee with a view to meeting the wishes of those members who will be on the committee with regard to this matter. I can assure hon. members that the government has not the slightest idea of concealing anything about its policies or preventing the fullest discussion of them here in the house, especially this subject which affects an important part of Canada.

Mr. Douglas: May I ask the minister a question? I understand that conversations will start in Washington on June 6 between the United States, Japan and Canada, on the matter of the treaty which will replace this one. I think we should have some assurance from the minister either that the meeting can be postponed until the whole question has been before the marine and fisheries committee or that no commitments are going to be made at this meeting in Washington until the fishermen and other groups interested have had an opportunity of appearing before the marine and fisheries committee.

Mr. Pickersgill: I will endeavour, in consultation with my colleague, having regard to the arrangements with other countries that have already been made, to see that the fullest possible opportunity is given for discussion in the house at the earliest possible date. As hon. members know, no final commitment could be made by any government that is not agreeable to the house. We would particularly in our present situation, be most anxious to be sure that we carried the views of all hon. members before making any commitment of a final nature.

Mr. Douglas: I am sure the minister understands our concern, in view of the fact that on May 8 two of the recommendations of the international north Pacific fisheries commission were implemented by order in council, one of which permitted the Japanese to fish for halibut in the east Bering sea and the other to fish for herring off the Queen

Charlotte islands. This was done without any reference either to the committee or to the house. I think the minister will appreciate the concern which all members of this group feel, as do hon. members in other parts of the house and the fishermen on the Pacific coast with respect to this matter.

Mr. Barnett: Since the Secretary of State seems to be acting as spokesman tonight, may I call to his attention a statement made by the Secretary of State for External Affairs in reply to a question on May 29. Referring to this meeting in Washington he said, as reported on page 415 of *Hansard*:

> —at this meeting next week at which the Canadian government will be represented, there will be preliminary consideration of the continuation of the abstention principle.

Now, I believe I have said enough in my earlier remarks to indicate that that abstention principle, while it is referred to in the main articles, so far as the meat is concerned, is in the annex. As my leader has already indicated, that was recently amended by the cabinet without any reference to the house. I think what my leader is seeking is some assurance that the Secretary of State for External Affairs, or whoever is going to Washington, is not going to agree to wiping out further elements of that abstention principle, without any reference to this house.

Mr. Pickersgill: The hon. gentleman used the word "preliminary", and I think that is what it means.

Mr. Gordon: I am rising, perhaps optimistically, because I believe that all hon. members have sufficiently debated this resolution on interim supply.

Mr. Winch: Not yet.

Mr. Gordon: Well, I shall make these remarks anyway, Mr. Chairman. I wish to thank the hon. member for Digby-Annapolis-Kings and other hon. members opposite, including my friend the hon. member for Chicoutimi, for their kind words of congratulation upon my appointment as Minister of Finance. In particular, may I mention the statement of the hon. member for Queens which was made at a time when I was out of the house for a few minutes on a matter of pressing personal business?

I am especially grateful to the hon. member for Digby-Annapolis-Kings for his courtesy in welcoming me to the Department of Finance when the government changed hands and for introducing me to the staff of the department. I thank him also for his kind references to the staff of the department, which will be very much appreciated and which are very well deserved.

In his remarks the financial critic for the opposition roamed over a wide range of subjects, including the need for controlling expenditures, the desirability of working toward balanced budgets and the importance of the Glassco commission recommendations. I think most of these matters can best be dealt with in the course of the budget debate and I shall have something to say about them at that time if, as and when that time comes.

Mr. Nowlan: Perhaps you could just tell us now when that will be.

Mr. Gordon: No, I cannot do that. But I was thinking of saying, Mr. Chairman, that if I had a little more time to work on that budget speech, perhaps the time would come more quickly. In his remarks the hon. member said, if I remember correctly, that I had not referred to the estimates for the fiscal year 1962-63. I did not refer to this matter in speaking to the resolution, Mr. Chairman, because I had already referred to it on May 29 when I tabled the estimates for 1963-64. I said at that time:

> The government intends to report to parliament the total estimates and supply picture for 1962-63, following a detailed review being made to determine items and amounts which should properly be charged to the accounts of that year.

At that time parliament will be asked to give formal authorization for expenditures made in the last fiscal year. Other hon. members have raised a number of interesting and important matters, which have been brought to the attention of the ministers concerned. I do not expect that hon. members would wish me to deal with each of these matters myself, and in fact I am hardly in a position to do so. In speaking to the resolution I promised to do my best to answer any question that might be asked by hon. members. In doing so I was thinking of questions about this resolution dealing with interim supply.

I do not believe I was asked any specific questions on this particular subject, other than those I have just mentioned. But I can assure hon. members that if, when they have finished debating this resolution, they have any further questions, I shall do my very best to answer them when the bill itself is before the committee.

Mr. Chatterton: Mr. Chairman, my remarks will be very brief. I wanted to complement some of the remarks made by the hon. member for Comox-Alberni with regard to the recommendations of the international north Pacific fisheries commission. The hon. member for Comox-Alberni said he had never seen the commercial fishermen on the west coast so concerned as they are at the present time.

The point I want to make to hon. members is this. I hope the Secretary of State, who is apparently acting as pinch-hitter for the Minister of Fisheries, is listening. It is more than just the commercial fishermen who are concerned. I would quote just two sentences from a brief, Mr. Chairman, and after I have quoted this excerpt I will give the committee the name of the organizations who are supporting this resolution:

> The recommendation of the international north Pacific fisheries commission to open northern B.C. and northern Alaska waters to Japanese fishing fleets poses a serious threat to the future of B.C.'s fishing industry . . . The commission's action was a form of appeasement and allows Japan to get her foot in the door which could lead to future net fishing of our salmon off the west coast of Vancouver island by Japanese fishing fleets accompanied by mother ships equipped with refrigeration or canning equipment. It is of the utmost importance that our government must do everything in its power to stop this future threat and protect our heritage.

This is a resolution submitted by the amalgamated conservation society. The following organizations are members of this society and are co-signers of this brief: Victoria Saanich inlet anglers association, south Vancouver island rangers, Esquimalt salmon club, Oak bay anglers, the Chinook club, royal Canadian naval anglers association, the Cowichan bay salmon club, Victoria fish and game protective association, the Victoria chamber of commerce, the Saanich inlet boatmen's association, the Pacific trollers association, the Victoria outboard club.

The point I want to make is that there is much concern on the whole of the Pacific coast, not only as to the government's action in accepting the recommendation of the commission, but the eyes of the west coast people, through these organizations that I have quoted, will be on Washington when the renegotiation of this treaty takes place. I hope the Secretary of State will keep in mind what he indicated tonight, as I understood him, that there will be no firm commitment by the government until such time as there has been an opportunity by this house to discuss the renegotiation of that treaty.

Mr. Peters: Mr. Chairman, this is one of the first opportunities for me to bring to the attention of the government some of the problems that are arising from a scheme in the province of Ontario in which the federal government obviously intends to participate. On June 1 of this year the Ontario government proclaimed the first portable pension program in Canada. Both the Conservative government and the present government have stated that portable pensions for Canadians must first be brought into a national pension scheme to replace our old age security program, and at the same time such a scheme must take into consideration the rights of provincial governments in this field.

I think more leadership should come from the federal government, rather than waiting for one of the provincial governments to do something in this particular field. What would have happened if the federal government had waited, when they decided to implement unemployment insurance, until all the provinces had a scheme of their own that the federal government could bring under their wing as a national insurance program? The same is true of family allowances. If we had waited until family allowances were implemented by the provinces, and then the scheme had been endorsed by the federal government, we might have had a very different scheme, on a patchwork basis, than we have at the present time. I believe this matter of pensions is just as important as any social legislation to which the Canadian people have given their attention. During the recent election campaign, particularly in northern Ontario, I think all the candidates of all political parties were of the opinion—

Mr. Pickersgill: Mr. Chairman, I wonder whether the hon. gentleman would permit me to interrupt—I am not seeking to do so in anything but a conciliatory spirit—to raise a question as to whether, since this portable pension program scheme and the old age security program are a part of the program envisaged in this session of parliament and are not yet in operation, this is the appropriate time at which this subject should be raised.

This is a time when hon. members have a right to raise grievances with respect to matters that are now being carried out by the government. There was an opportunity in the debate on the speech from the throne, there will be another opportunity during the budget debate, there will be a still further opportunity on various supply motions, and there will be an opportunity when the legislation itself is brought before parliament. I am really appealing to the hon. member who is seeking to raise a formal point of order. Does he not feel at this time, when the government is seeking supply in order to carry on the ordinary administration, and seeking to get it so that we can get on with the rest of our program, that he would not be willing to defer this discussion until one or the other occasions I mentioned, without a formal point of order being raised?

Mr. Peters: If this is a formal point of order I do not think it need detain us long. I do not intend to go into the ramifications of pension programs in general, but this is a

matter which has been discussed in the speech from the throne and we are now being asked to vote about one third of the total estimates for this year. It seems to me, therefore, the government should pay some attention to this subject. It is one in which I have a special interest because for some time I have been advocating a portable pension plan which would satisfy the type of people with whom I worked for many years. These are bushworkers and miners who could never meet the need to qualify for a pension on a 20-year basis although they are particularly interested in whatever action the federal government might be taking in this field.

Mr. Pickersgill: I feel, now, I have no choice, Mr. Chairman, but to raise a formal point of order. It surely is contrary to our rules to have a grievance against the government of Ontario aired in a supply debate in our house. I feel that if the hon. gentleman would accept the suggestion I made earlier and make a speech on this subject during the debate on the budget, when we would have a wide ranging discussion, he might not be out of order but at this time to discuss the deficiencies of a legislative or an administrative scheme of the government of Ontario is completely outside the permitted scope of our deliberations.

Mr. Knowles: I can understand the desire of the Secretary of State to move this business along as quickly as possible and I think I can say for most of us over here that we do not wish to delay it unduly. However, I think the hon. gentleman would do much better to stay in the role of a conciliator rather than to raise a formal point of order about this. If my hon. friend were only raising a grievance against the government of Ontario, the Secretary of State would have a point, but as I understand the remarks made by my colleague, they are to the effect that a situation is developing in this country which is a matter of concern. We are not alone in this belief. Those who are interested in these schemes fear there is likely to be a conflict in this field of portable pensions because one province is going in, another province is going in, and all the time the federal government is telling us to contain ourselves. Basically, this is a grievance against the federal government for being too slow in the implementation of its policy.

Some hon. Members: Oh.

Mr. Pickersgill: My reply to that is very brief. If hon. members opposite would give us supply it would enable us to get on with our program and bring the pension legislation down that much earlier.

[Mr. Peters.]

Mr. Knowles: Nothing is stopping you from putting it on the order paper.

Mr. Peters: On this point of order, the subject with which I am dealing is not so far divorced from the responsibility of this government as has been suggested. A major consideration with regard to any pension plan, whether it be in Ontario or any other province, is the income tax exemptions which are allowed in respect of this plan. This places responsibility on the shoulders of the federal government. In 1945, the previous government brought in, through the minister of finance of that day, Mr. McCann, a direction covering pension plans for the purpose of the Income Tax Act established by the taxation division of the Department of National Revenue. I suggest the reason this was disallowed was because vesting rights in this pension plan could not be negotiated between some of the major companies in this country, companies which already have had plans in operation with the federal government. In 1959, it may be remembered, the Conservative government again brought in a regulation affecting the vesting rights of pension plans. But the government of that day again withdrew the direction, which was issued by order in council, for the same reason namely that they were having great difficulty with the vesting rights in the income tax division.

You may be surprised to know, Mr. Chairman, that in connection with that new plan in Ontario an observation has been made by the Montreal Trust Company pension division in the following terms:

> It would appear that employers are seeking to avoid the legislated provisions and control of the act covering benefits in sharing or deferred profit sharing plans as a vehicle for providing supplementary benefits which do not come under the control of the act. However, income tax concessions, particularly from the employee's standpoint—

I should like to point out that the Ontario pension plan has not met one of our basic needs in northern Ontario where there are movements of labour interprovincially on a considerable scale. Many people live in Ontario and work in Quebec. This is common in the Noranda area. Then there are large numbers of people living in northern Quebec who travel into Ontario to work in the mines. Thus, any plan which depends on the provinces for its implementation, must find itself seriously limited, since, as I say, people travel from one province into another to work and, when they retire, probably move into the second province to live. Thus, there is a need for a national attitude toward pension plans. Many of the miners in northern Ontario have recently been asked to leave their homes and places of employment in

order to live in northern Manitoba. So the problem is not just one between Quebec and Ontario; it is national in scope. Some of the men I know might have been working at Belle island. Then they would move to Sea island. The next job might be in Alaska or even in the United States. The federal government has agreed to participate in this Ontario provincial scheme, but since the inception of that scheme many shortcomings have become apparent to the workers concerned.

The Chairman: I should bring to the attention of the hon. member that he may not discuss the merits of this provincial statute dealing with portable pensions. Although I do not wish to restrict discussion in any way I submit to him that he should not confine his remarks to a matter which relates exclusively to an Ontario statute. I believe this is what he has been doing for the last minute or so.

Mr. Peters: With due deference, Mr. Chairman, that was not what I was doing. The vesting rights have already been discussed on a number of occasions. My point, which I will not labour, is that I believe the federal government have a responsibility in the matter. I could quote from the literature which was circulated in my area and the ridings of other hon. members of the Liberal party indicating that this was one of the first considerations which the government would take under discussion. There is a limit on the act passed in Ontario, and the federal government still has time to provide legislation to implement a better plan than that envisioned by the provinces. The government can certainly count on our assistance, but they should not wait until the provinces are ready with pension plans of their own so that the federal government can provide the umbrella under which they can operate. I suggest this matter should be properly planned. The present government has probably had considerable time to discuss the commission's report at great length, which contains all the necessary information to provide Canada with a very far reaching pension plan serving the needs of the people, instead of doing it on a patch-work basis and allowing the provinces to put this sort of legislation into effect.

Mr. Chevrier: Mr. Chairman, when I intervened in the debate this afternoon, I referred to a complaint made by the hon. member for Nanaimo-Cowichan-The Islands. I told him at that time that I was not able to deal with the case because I had not obtained the report from the mounted police. I have now obtained that report and I should like to make a statement with reference to it.

The question raised by the hon. member for Nanaimo-Cowichan-The Islands on Friday last concerned the dismissal from the royal Canadian navy of Gordon Harry Knott. Although the name of this man was not supplied, inquiries made by the R.C.M.P. during the past week end at the west coast have revealed that, in this case, a serious error has occurred.

The R.C.M.P., as far back as 1958, had been informed by a very responsible person in that community in which the Knott families had lived that Gordon Harry Knott's father, Wallace Knott, was a brother of one Ernest Leon Knott. The source of this information was in a position where he might be expected to know of such a relationship. Until this week end, this same source of information was still of the same belief. After Gordon Harry Knott had joined the royal Canadian navy in October 1961, the R.C.M.P. was requested to make the usual security check. At this time, and in another community, a further reliable source of information was questioned as to his knowledge of the Wallace Knott family. This person held a responsible position in the community and stated that he knew Wallace Knott very well and was also acquainted with his brother, Ernest Leon Knott. This was confirmation of the information already held on file by the R.C.M.P. Here we had, in this matter, two reputable sources of information, living in different communities, each claiming a good knowledge of the Knott families, stating that Wallace and Ernest Leon Knott were brothers. It was on this basis that the R.C.M.P. felt themselves on firm ground in making their report to the navy.

Following the hon. member's statement to the house on Friday and the location of what appeared to be the appropriate file, although the name had not been advanced, a most intensive investigation was launched at the west coast during the week end. Eventually a source of information, of undoubted reliability, was located which made it quite clear Ernest Leon Knott and Wallace Knott were not brothers.

Under the circumstances, Mr. Chairman, I can only tender a very deep apology to this young man and his family, not only for the inconvenience but for the embarrassment which has been caused. I am taking this matter up with my colleague the Minister of National Defence to see how he, Gordon Knott, if he so wishes, can continue with his interrupted career.

Mr. Cameron (Nanaimo-Cowichan-The Islands): Mr. Chairman, I should like to express my very great appreciation for the minister's frank statement, which I am quite sure will be accepted wholeheartedly by this boy's family. Thank you very much.

Mr. Douglas: Mr. Chairman, I am sure all of us are grateful to the minister for taking this very speedy action, but if ever there was proof of the need for setting up some appeal body, it has been shown here tonight. Here is a man who was dismissed from Her Majesty's forces on the strength of statements from two people who allegedly knew the family but who it turns out did not know the family. To have a man condemned on the basis of tittle-tattle, on the basis of rumour, on the basis of information given by unintelligent people is surely not good enough. A report has been turned in on flimsy evidence, the kind of evidence on which I submit, Mr. Chairman, you would not hang a dog.

As I said this afternoon we are not condemning the R.C.M.P. as a force. What we are saying is that the kind of people who have been handling security and intelligence are in a great many instances lacking the right kind of qualifications; that these people are ill-trained and ill-informed and in many cases completely unfit for the task they are carrying on. Surely it ought not to lie with members of the House of Commons to have to raise individual cases like this. If this young man's case had not been raised by the hon. member for Nanaimo-Cowichan-The Islands, he would probably be still like the young man from the air force in Regina—peddling goods from door to door with a bar sinister across his record. Members of parliament have more to do than deal with individual cases like this, and the Minister of Justice has more to do than to be badgered by them. Surely the time has come to set up a proper tribunal or quasi-judicial committee to where people like this can go; where they can take their counsel, call their witnesses and be heard; where they can know what is the evidence against them. If they have nothing to fear and come honestly and disclose all the facts, then undoubtedly they will be given a clean bill of health. If they cannot, then of course the security branch has done a good job in that it has discovered some person who is a menace to the security of this nation. I urge the minister that in light of this illustration which he himself has given tonight the government should take into very serious consideration the setting up of some board of appeal to deal with these cases so that members of parliament do not have to deal with them on the floor of the house. I for one am prepared to leave it to the minister and his good sense to deal with this. If it is not dealt with when the estimates of his department come before the house, I must say we shall want some further information regarding what the government proposes to do in dealing with cases of this nature.

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

Mr. Winch: Mr. Chairman, there is one matter which I should like to speak about for a few moments. I should like to know, and I think this committee would like to know, what has been the decision of the government as to a review of a policy initiated by the previous government and whether they are going to follow it through with the expenditure of certain money in the next two months, which expenditure we are now discussing. I am referring to the finalizing of plans which could result in a multi-million dollar expenditure. I am talking about that part of the interim supply now before us asking for a sufficiency of money to complete the plans of, and to call for tenders for, the construction of a multi-million dollar drug addiction treatment centre on the west coast of British Columbia.

This matter of drug addiction is a serious one, particularly in the province of British Columbia. It is going to cost a great deal of money to cure the addicts, to see they do not return to drug addiction, and to get rid of narcotic pushers. Therefore, it is of the utmost importance that we feel sure in the finalizing of plans, towards which money will be allotted during the next two months, that our policy on the treatment of drug addiction is going to prove beneficial, particularly when the taxpayers will be called upon to spend many millions of dollars.

Mr. Chairman, I am raising this matter now because I am of two minds as to whether or not the policy outlined by the previous government and which has resulted in the initiation of the present plan, is the correct one. It is the policy of placing the drug addicts, by compulsion, in an institution for treatment and later releasing them. However, throughout the world, and particularly in the United States, it has been proven that a similar plan does not cure drug addicts.

Has the government, since it took office, gone into this question? Has it made any study of its policy regarding the curing of drug addicts and the controlling of the narcotics racket? Has it accepted and is it prepared now to state that the correct policy is that which was initiated by the previous government?

I raise this matter because over the years we have been treating drug addicts as criminals and putting them in penitentiaries. There they are cured of their drug addiction because they cannot get drugs, but when their sentence is over and they go back into society, unfortunately in the majority of cases the majority of these men and women who have not had drugs for years go right back and become addicts again, of their own volition or because of the pressure put on them by narcotic pushers. Surely, sir, that

amply demonstrates that institutionalizing on its own is not the answer to this most severe and serious problem?

Surely we should recognize by now that addicts should be treated as sick persons, should have curative treatment and under doctor's orders should receive, on a diminishing basis, their drug requirements? But, no matter what is done, it should be on a basis that when they were released to society they are not subject to the drug pushers, and the only way to get away from that is to take the profit out of the drug racket.

The spending of millions of dollars on an institution may still leave that cancerous sore because of the fact that drug pushers can still make a profit and can still persuade people into the habit of drug addiction. I do not want to delay the house any longer but this is a vital problem, and as we are being asked now to vote moneys for June and July for the completion of the plans—and I have read in the press that tenders are being called—I feel it my duty to raise the matter on interim supply and to question whether the government has given consideration to this entire question.

If the government has considered what is the best policy to be pursued in Canada to remove this curse of drug addiction, is it the government's contention that it is going to go along with the solution of the problem through treatment in an institution which is going to cost millions of dollars in the province of British Columbia? If it feels it should go ahead on this particular line then I feel that at some future time there should be a further discussion in this house of the problem in all its aspects.

Mr. Chevrier: Mr. Chairman, may I be allowed to say a few words in answer to the hon. member's suggestion. I can assure him that what he has said tonight will be given very careful consideration. However, I did not rise for that purpose. I rose again to say a word in connection with the suggestion made by the hon. member for Burnaby-Coquitlam.

When I received the report from the commissioner of the R.C.M.P. I discussed it first with the Prime Minister and with some of my colleagues who are at hand. I had brought it to the Prime Minister's attention and to their attention also, that when I came to the department, because of other cases that had been brought to my attention by the commissioner himself, I felt consideration should be given to the suggestion made by the hon. gentleman.

In fact when I spoke this afternoon—I tried to be patient with the hon. gentleman, although I do not think he thought I was being that—and said that I required some time to consider and evaluate the whole position, I did have something of that nature in mind. I must tell him we have already been giving consideration to a suggestion of that character, and I would like to say now that that suggestion will be given the most careful scrutiny.

Mr. Douglas: May I say, Mr. Chairman, I was reading over the *Hansard* report of what I said this afternoon and I find I stuck my neck out a long way. I said I had great faith in the minister and I was sure he would do something about this. I hope these words will not come back to haunt me, but I am sure they will not.

Motion agreed to.

Resolution reported and concurred in.

WAYS AND MEANS

INTERIM SUPPLY

The house in committee of ways and means, Mr. Lamoureux in the chair.

Mr. Gordon moved:

Resolved, that towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31st, 1964, the sum of $1,430,259,968.45 be granted out of the consolidated revenue fund of Canada, as set forth in the resolution concurred in this day in the committee of supply.

Motion agreed to.

Resolution reported and concurred in.

Mr. Gordon thereupon moved for leave to introduce Bill No. C-69, for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1964.

Motion agreed to and bill read the first time.

Mr. Deputy Speaker: When shall the said bill be read the second time?

Mr. Pickersgill: By leave, now.

Mr. Deputy Speaker: Is it agreed?

Some hon. Members: Agreed.

Mr. Gordon moved the second reading of the bill.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Lamoureux in the chair.

On clause 1—*Short title.*

Mr. Knowles: Mr. Chairman, before clause 1 carries may I say the Minister of Finance seemed a little unhappy that after his general invitation to members to put questions to him most of the questions were directed to other ministers. I do not like to see the

Minister of Finance unhappy, especially just 10 days before he is going to bring down his budget, so I am happy to accommodate him by asking him some questions about matters that do come under his jurisdiction.

As the minister will recall, he has been asked a number of times already this session by members in various quarters of the house about certain civil service matters. The minister has a very disarming way of answering these questions. He tells us these matters are under active consideration and we get the impression something is going to be done, but I have the uneasy feeling that these answers are copied almost word for word from the answers given by the previous minister of finance. He was disarming and genial as well.

Mr. Nowlan: You flatter me.

Mr. Knowles: The minister was pretty outspoken before he moved over to the treasury benches about the speed with which things could be done. He had a lot of ideas. Does he think it is fair to the civil service that so many categories have had to wait so long for the pay increases that became effective for most categories on December 10 of last year? Can this not be dealt with very soon?

I will save the minister the trouble of bobbing up and down by asking all my questions now. There is also the problem of civil servants who retired after the retroactive date of the pay increases but before the pay increases were announced. In other words, these civil servants were working during the period in which there were pay increases but because of the date of their retirement they did not get them. The minister has said this is being looked into. How long does the looking into process have to take?

Then there is the question of collective bargaining for civil servants, and this has been indicated as something to which the government is committed. I take it this comes under the responsibility of the Minister of Finance. How much longer are we going to have to wait for this?

Another question I have raised on a number of occasions is the improving of pensions of civil servants already retired. I remind the minister that for many years we in this house urged that something should be done to improve the pensions of those who were being asked to live on very small amounts. It was argued for many years that this could not be done, that these pensions were matters of contract, that the regulations were set and there was nothing that could be done about the whole matter. I have to give a bouquet to the last government. They made a breakthrough in this field and did bring down the first legislation that actually increased the pensions of civil servants who were already retired. But though the previous government made a breakthrough I do not think they did enough in terms of the amounts that were provided or in terms of the people who were covered. Retired civil servants are still pressing for action in this field.

There are other problems with regard to temporary employees and the various orders in council and treasury board directives that have affected these people. Frankly, Mr. Chairman, we do not think that the minister should take too long in coming forward not just with an assurance that these matters will be considered but with a definite statement that something is being done.

Mr. Gordon: May I say to the hon. member, who is an old trade unionist and will understand these operations, that when I answered questions before and said these matters would be dealt with promptly I did not mean that they would be dealt with overnight. I meant that we had dates and we had plans and we knew the order in which various things were going to be tackled. I arranged some weeks ago to meet with the staff associations at their request on June 14. There have already been discussions with members of the staff, of the finance department, and I am hoping at that time to meet with the staff associations myself. Although I will not commit myself to a date as to when a final decision will be made, I am hoping that from then on we will move with a little more speed, perhaps, than the hon. member may think we have been making so far. I would remind him that there have been matters which have had to be dealt with. Rightly or wrongly, I thought that certain considerations in connection with the budget should come first and this subject should come second. When I say "this subject" I include all the matters about which he has been talking.

Mr. Winch: May I ask a supplementary question? The minister has told me about a meeting on June 14 with the civil service association. Could he also tell us if and when he is meeting with the internal economy committee which has charge of the wages and salaries of the employees in this building because they, too, are amongst the lowest paid of all the employees. They should have the increase.

Mr. Gordon: There is a meeting of that committee called for tomorrow night or the night after.

Mr. Winch: I hope an announcement will be made then.

Mr. Gordon: The announcements will all be made at the same time, I expect. I think

it is important that there be some co-ordination between rates and remuneration throughout the government service.

Mr. Knowles: Let us hope this is all within the first 60 days.

Mr. Nowlan: I was hoping that when the minister replied to the question by the hon. member for Winnipeg North Centre he would answer by saying he was going to deal with these matters when he brought down his budget. Then, I was going to ask him if he could tell us when the budget will be brought down.

Mr. Gordon: No, Mr. Chairman, I am not in a position yet to give the exact date.

Clause agreed to.

Clauses 2 to 6 inclusive agreed to.

On clause 7—*Power to raise loan of $1,500 million for public works and general purposes.*

(Translation):

Mr. Gregoire: Mr. Chairman, as far as clause 7 is concerned, the governor in council requests, at least, I believe so—we just got the bill—the authority to borrow $1.5 billion.

I feel that when all items are passed so quickly, in three, four seconds, the governor in council has just asked to borrow $1.5 billion, we should pause and ask ourselves what will be the results of those actions. In the past, borrowings like that have been made time after time, with the result that we are paying, each year, $881 million in debt charges.

Mr. Chairman, in my opinion, the Minister of Finance should give us some explanation concerning that new loan he wants to issue, or at least that new authority to borrow he is asking for, involving up to $1.5 billion. Can the minister give us some explanation about this item, so that we may discuss it?

(Text):

Mr. Gordon: I would be delighted to do that. Each year supply bills contain new authority to borrow money for public works and general purposes of the government by the issue of Canada savings bonds, other bonds and treasury bills. Authority was granted by parliament in former years as follows: In 1955-56, $1 billion; the next year, $1½ billion; the next year $1 billion; 1958-59, $2 billion; 1959-60, 1½ billion; 1960-61, 1½ billion; 1961-62, $2 billion; 1962-63, 2½ billion.

I mention these amounts so the hon. member will see that the amount asked for in this bill is not out of line. In earlier years, before the exchange fund had a significant influence on the government's cash position, it was customary to seek this borrowing authority only once or twice a year, and in large amounts. In recent years, notwithstanding all the unknown and often large requirements for the exchange fund, the borrowing authority has been sought in smaller and more frequent steps. Debt management has been complicated by the ever-present possibility that borrowing authority would be used up before the next supply bill. It is the government's intention to revert to the early practice of seeking borrowing authority only once or twice each year.

In view of the large annual sale of Canada savings bonds which takes place in the early fall, other borrowings which stem from the normal cash requirements of the government and the unknown course of the exchange fund needs, it is considered desirable to request authority for a billion and a half at this time.

Mr. Olson: I wonder if the minister would give the committee some assurance that any additions to the national debt of Canada that may come about from this huge borrowing authority would be taken up, at least partially, by the Bank of Canada? I know that in the last few months there have been some rather large loans subscribed by the central bank, and we think it is desirable to follow this course if the minister can now assure us we are going to continue this practice, and perhaps extend it, the information would be welcome.

Mr. Gordon: Mr. Chairman, I think this is perhaps a poor time for me to enter into a protracted debate on the monetary operations of the Bank of Canada. The decision as to how much of any new borrowing will be taken up by the Bank of Canada must depend on conditions in the country at the time, and upon the ability and willingness of other borrowers to participate in the market.

(Translation):

Mr. Gregoire: Mr. Chairman, I wish to direct another question with regard to section 7.

Could the Minister of Finance tell us how much he expects to save the government by issuing a loan once or twice during the year, rather than frequent loans maturing after 30, 60 or 90 days? Will that affect the estimates that he has tabled, in which he forecasts that the interest on the debt will amount to $881 million.

(Text):

Mr. Gordon: Mr. Chairman, it is not a question of borrowing from the public once or twice a year. It is to put the government in a position where it has authority to borrow at the most appropriate time, having regard

to market conditions from day to day. I think it is fair to say that if we have this authority there will be some savings, but I certainly am not in a position to say how much.

Clause agreed to.

Clause 8 agreed to.

Schedules A to G inclusive agreed to.

On schedule H—

(Translation):

Mr. Gregoire: Mr. Chairman, I just want to draw your attention to one thing: we received that bill only 7 or 8 minutes ago and most members did not get—

An hon. Member: I did not get it.

Mr. Gregoire: And many here shout "agreed" to things they have not yet received or have not had time to read even.

If the people of Canada were aware that we are voting millions of dollars, without even knowing what it is all about, when some here shout "agreed", without knowing why, they would have cause to be shocked. When we do that, I think we show that the part played by the members is not very important, since we are asked to vote $1,500 million on five minutes' notice.

(Text):

Mr. Gordon: May I just say to the hon. member that he will appreciate that these amounts are in exactly the same form as the resolution which we have been discussing for the past two days.

(Translation):

Mr. Gregoire: Mr. Chairman, we are told that the bill is drafted in the same form as the resolution which has been carried, but I must point out that there is no mention whatsoever in the resolution of a borrowing power of $1,500 million. This is new tonight.

(Text):

Schedule H agreed to.

On the preamble—

Mr. Knowles: Before the preamble carries, may I ask the minister a question about one of the provisions in this bill? I do so because earlier this evening he said that after there had been a complete review of the 1962-63 expenditures an accounting would be placed before parliament and parliament would be asked to give formal authorization. I realize that is about all we can expect a new government to do with respect to a previous government's expenditures.

What I wanted to ask was this. Is that something that is still to come, or has that been tucked into clause 6 of this bill?

Mr. Gordon: That is something that is still to come, Mr. Chairman.

[Mr. Gordon.]

Mr. Knowles: Mr. Chairman, can the minister tell us what clause 6 is about?

Mr. Gordon: Yes, Mr. Chairman, I shall be glad to. Clause 6 is new and is required because of a strict interpretation of subsection 4 of section 28 of the Financial Administration Act which was first enacted after the period of general financing by special Governor General's warrants in 1958.

It was intended to ensure that special warrants would be open to discussion in parliament on the first occasion on which requests were made to parliament for further supply. It was obviously not drafted in contemplation of a recurrence of the unusual situation of 1958, but I am advised that under present circumstances its strict interpretation would require the inclusion of the amounts authorized by special warrants, in the old year 1962-63 to be included in the bill. Rather than intermingle and confuse the financial records of the two years, and because it is the government's intention to provide parliament with a complete accounting in respect of 1962-63 later in this session, this bill includes only those special governor general's warrants which provided for expenditures during April and May, 1963, the first two months of the current fiscal year.

The special warrants which supported government operations during the final months of the year 1962-63 will be described in detail in a report on supply for 1962-63 which will be tabled later this session and which will be followed by a special appropriation act dealing solely, but completely, with the expenditures and accounts of that year. In this respect, the proposed practice is modelled exactly on that followed in 1958.

Preamble agreed to.

Title agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the said bill be read a third time?

Mr. Pickersgill: By leave, now.

Mr. Deputy Speaker: Agreed?

Some hon. Members: Agreed.

Bill read the third time and passed.

BUSINESS OF THE HOUSE

Mr. Churchill: Mr. Speaker, I wonder whether the house leader would announce the business for tomorrow and, profiting from today's experience, not interrupt proceedings at five o'clock and things of that nature.

Mr. Pickersgill: Mr. Speaker, I should begin by apologizing to the hon. gentleman's susceptibilities for my interrupting. It was not very successful and perhaps it would not be very wise to repeat it.

Tomorrow we will continue with the debate on the motion of the Prime Minister to set up the committee on matters relating to defence. As soon as that is completed we will take the resolution preceding the bill to set up the economic council. If that should be completed—

An hon. Member: That is enough.

Business of the House

Mr. Pickersgill: I think it is perhaps just as well to indicate as far as possible what else would be taken up. If that is completed we would hope to take up the resolution preceding the bill to set up the department of industry.

It being eight minutes after ten o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Tuesday, June 4, 1963

The house met at 2.30 p.m.

EXTERNAL AFFAIRS

ANNOUNCEMENT OF ESTABLISHMENT OF 12 MILE FISHING ZONE

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I should like to make a statement to the house on the law of the sea, a subject of considerable importance in international affairs and of particular significance for Canada, the seventh largest fishing nation in the world and the fourth largest trading nation, possessing the world's longest coastlines.

Traditionally the breadth of the territorial sea has been three nautical miles, but the Canadian view has long been that a breadth of three miles is not adequate for all purposes. It was on December 7, 1956 that a Canadian representative put forward at a meeting of the sixth committee of the United Nations the proposal, which later came to be known at Geneva as the Canadian proposal, of a contiguous fishing zone beyond the three mile territorial sea which would extend to a limit of 12 miles.

In the light of the failure of efforts to bring about an agreement on the breadth of the territorial sea and the contiguous fishing zone, the government has decided, after careful deliberation, that the time has come to take firm action to protect Canada's fishing industry. It is well known that foreign fishing operations off Canada's east coast, which have increased enormously over the past five years, are not only depleting our offshore fisheries resources but are posing other problems. There are indications also that Canada's west coast fisheries may soon be threatened. In similar circumstances an increasing number of countries have felt themselves compelled to abandon the three mile fishing limit. All told, more than 40 countries have already extended their territorial limits, and more than 50 countries their fisheries limits beyond three miles.

With these considerations in mind the Canadian government has decided to establish a 12 mile exclusive fisheries zone along the whole of Canada's coastline as of mid-May, 1964, and to implement the straight base line system at the same time as the basis from which Canada's territorial sea and exclusive fisheries zone shall be measured.

The government recognizes that such action will necessarily have implications for other countries, particularly the United States of America and France, both of which have treaty fishing rights in some of the areas affected and claims to "historic" fishing rights in other areas in question. In the case of Canada and the U.S.A. in particular, there is a long tradition of friendly and fruitful co-operation on fisheries problems, and any action by Canada on these matters will, as in the past, take full account of United States interests, as well as of those other countries affected.

It may be recalled that in my discussions with President Kennedy at Hyannis Port I informed him that the Canadian government would shortly be taking decisions to establish a 12 mile fishing zone. The President reserved the longstanding American position in support of the three mile limit. He also called attention to the "historic" and treaty fishing rights of the U.S.A., and I assured him that these rights would be taken into account. Discussions will be held with the United States with a view to determining the nature and extent of the U.S.A. rights and interests which may be affected by the action which Canada is taking. Discussions will also be opened as soon as possible with other countries affected, and it is our hope and belief that we will be able to reach agreement with such countries on mutually satisfactory arrangements.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, naturally there will be widespread interest in the statement made today by the Prime Minister. Throughout the period this party was in office we endeavoured to bring about by international agreement the 12 mile limit. I am not going into the details of that, but I refer to the six and six. There were two international conferences in Geneva. In the course of the second conference agreement was almost arrived at internationally, and was lost only by one half vote. However, I would point out that the taking of unilateral action is not always effective. It has about it implications that may have serious consequences to Canada's economy.

While apparently the Prime Minister and the President discussed these questions during the Hyannis Port siesta, the fact remains that the Prime Minister has not thought it proper to indicate to the house the attitude of the President in this regard. Not having had notice that this matter was coming up I have not before me the necessary statistics, but certainly there has been a tremendous increase in the export of fish products and the United States is a major market of those products.

Mr. Nowlan: For Canadian products.

Mr. Diefenbaker: Yes, for Canadian products.

An hon. Member: Seventy per cent.

Mr. Diefenbaker: As has been stated, the United States takes some 70 per cent of Canada's exports in this regard. While the objective is desirable, while the purposes that the Prime Minister had in mind are supported by this party, we would like to have a clear and definite statement on his part that the taking of action in this way, not by agreement but by unilateral declaration, will not have a detrimental effect on Canada's export market.

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, we welcome the announcement of the Prime Minister this afternoon with relation to the establishment of the 12 mile limit. As has been pointed out, this is a policy and principle that has been adopted and followed by a great many nations of the world. We have felt for quite a long time that it was necessary for us to reassess our position as a nation with respect to this important issue.

The question of historic rights was referred to, and no doubt they will be considered. But I suggest to the Prime Minister that with relation to this whole problem, the rights of Canada and the interests of Canada should be the guiding motive, and whatever action is taken should be taken with a view to safeguarding the interests and the welfare of Canada.

I think this matter should also be referred to the committee on marine and fisheries. This is the second announcement that has been made with reference to issues concerning the fisheries and action that has been taken by the government. As has been pointed out, we feel these matters should be referred to the committee so that all interested parties would have adequate opportunity to make their representations. However, Mr. Speaker, in principle we welcome the announcement by the Prime Minister this afternoon.

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, the position of the party to which I belong in connection with the announcement made by the Prime Minister today has been long established and is well known. Indeed, as long as 14 years ago the present hon. member for Vancouver East (Mr. Winch) raised and advocated in the British Columbia legislature the question of the establishment of broader fishing limits for Canada. More recently, as the house is aware, my colleague the hon. member for New Westminster (Mr. Mather) placed a bill on the order paper in connection with this matter. So I think I can, without expanding on the matter, make it clear that we welcome the announcement made by the Prime Minister.

We are, of course, concerned even more with the details of the manner in which the government intends to work out this proposal and what its end result will be than we are with the broad statement of principle which the Prime Minister has made today. However, on this occasion we are happy to join in the general agreement on that principle in this country.

[*Later:*]

On the orders of the day:

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have a question for the right hon. Prime Minister arising out of his statement a few minutes ago with regard to the unilateral declaration of a 12 mile fishing limit. While the Prime Minister mentioned the establishment of a base line for calculating this 12 mile limit, I was left uncertain as to whether the declaration will include the designation of the waters of Hecate strait, the Dixon entrance and Queen Charlotte sound as exclusively Canadian waters.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, in answer to such a question on orders of the day it is difficult for me to go into details on this matter, but the proposed change will be applied to include all waters which come within the 12 mile zone as applied from headland to headland, in accordance with the theory which I mentioned in my statement.

[*Later:*]

Mr. Lloyd R. Crouse (Queens-Lunenburg): Mr. Speaker, I should like to address a question to the Prime Minister arising out of his statement today that unilateral action would be taken to enforce the 12 mile limit off Canada's coast. In view of the large number of foreign trawlers from all nations which are fishing off our coasts, would he tell the house what steps will be taken to enforce

this regulation; and will this be the responsibility of the Department of Fisheries or the Department of National Defence, or both?

Mr. Pearson: Well, Mr. Speaker, I cannot answer that question in detail at this moment. I will look into the matter, but the establishment of a 12 mile zone will, of course, involve the good faith of other nations in respecting that zone, and it will take some time to work out implementing arrangements. I will be glad to let my hon. friend know as soon as possible.

[*Later:*]

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Prime Minister. In view of his announcement earlier this afternoon of the extension of Canada's territorial waters to 12 miles effective next year, does this have any effect on the status of such large bodies of water as Hudson bay, the gulf of St. Lawrence and similar bodies? If so, would these now be regarded as Canadian territorial waters?

Mr. Pearson: Mr. Speaker, if application of the headland to headland base line theory brought these bodies of water within the new jurisdiction, then of course they would be covered.

POWER

COLUMBIA RIVER—INQUIRY AS TO MEETING WITH B.C. PREMIER

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Prime Minister. Radio reports this morning stated that the Prime Minister and the premier of British Columbia have reached full agreement on the sale of downstream power benefits from the Columbia river to American power companies. Would the Prime Minister care to verify this news story and make a statement to the house regarding the outcome of his discussions with the premier of British Columbia?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, as the discussions are still going on any statement in regard to an agreement would be premature. At the end of the discussions, tomorrow or the next day, a statement concerning them will be made by my friend the Secretary of State for External Affairs, who is conducting them on the federal side.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I want to ask a supplementary question. In addition to the Secretary of State for External Affairs, what other ministers are concerned in the deliberations? Is the Minister of Northern Affairs and National Resources one of those who are participating in the discussions?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I am sure the prime minister will be pleased to know that the Minister of Northern Affairs and National Resources—

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): Mr. Speaker, I keep sympathizing with the prime minister in his present position—

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): —with the Leader of the Opposition in his present position. I can only say in extenuation of this persistent mistake that I have such regard for the Leader of the Opposition's present plight that I do wish to give him the luxury of the title if not the responsibility. The Minister of Northern Affairs and National Resources, the Minister of Forestry, both from British Columbia—

An hon. Member: Which one?

Mr. Martin (Essex East): —the parliamentary secretary to the Prime Minister and the parliamentary secretary to the Secretary of State for External Affairs are part of the delegation.

Mr. Diefenbaker: Mr. Speaker, I am sure these kind remarks on the part of the minister deserve a reply on my part. The number of times that he and other members of the cabinet, including the Prime Minister, have referred to me as prime minister indicates a hope that I expect will be realized before long.

Mr. Pearson: Mr. Speaker, in reply to the Leader of the Opposition may I say it is very difficult indeed to get rid of bad habits.

PUBLIC WORKS

POLICY REGARDING ANNOUNCEMENT OF AWARDING OF CONTRACTS

On the orders of the day:

Mr. P. V. Noble (Grey North): Mr. Speaker, I should like to address a question to the Minister of Public Works. Is it the policy of the government to have defeated Liberal candidates announce the awarding of government contracts?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I should like to know what contract or letter is involved. I am not aware of this, and I would appreciate it if

the hon. member would at least let me have the document. I will certainly comment on the matter with great pleasure.

Mr. Noble: I have a supplementary question. Why, then, did the Grey North Liberal association, through the defeated candidate, announce last week that a contract had been let to a Toronto firm for wharf improvements at Owen Sound?

Some hon. Members: Shame.

Mr. Deschatelets: If this has been done it is because the defeated candidate in Grey North was faster on his feet than the hon. member, because a public announcement had been made previously.

Mr. J. E. Madill (Dufferin-Simcoe): I have a supplementary question, Mr. Speaker. Is it the policy of the government to make announcements respecting public works through Liberals who were defeated at their own conventions and not through the sitting member, as was done in the Orangeville *Banner*?

Mr. Deschatelets: Mr. Speaker, I should like the hon. member to let me have at least the document, the contract involved, and I will comment on it with pleasure.

Mr. Speaker: Order. It would seem to me that we have had enough discussion. I do not believe the subject is one of pressing urgency, even though contracts are of great interest to members.

FISHERIES

NORTH PACIFIC TREATY—REQUEST FOR REFERENCE TO HOUSE COMMITTEE

On the orders of the day:

Mr. Ron Basford (Vancouver-Burrard): I should like to direct a question to the Minister of Fisheries. Following the meetings to take place in Washington beginning on Thursday, June 6, between Japan, the United States and Canada on the north Pacific treaty, can the minister advise the house if the standing committee on marine and fisheries will be given an opportunity to discuss this important matter before any final action is taken by the government in order to implement the recommendations of our delegation?

Hon. H. J. Robichaud (Minister of Fisheries): Mr. Speaker, in reply to the hon. member for Vancouver-Burrard I am pleased to advise that the standing committee on marine and fisheries will be convened before a decision is reached by the government on the north Pacific treaty convention. If amendments are recommended following the Washington meeting, ample opportunity to discuss these questions will be given to members of the standing committee on marine and fisheries, as well as to witnesses if the committee decides to call them.

Mr. T. C. Douglas (Burnaby-Coquitlam): May I ask a supplementary question. May I ask the minister if that undertaking applies equally to the annex to the treaty, which was changed on May 8 by order in council?

Mr. Robichaud: I wish to advise the hon. member that any matters pertaining to the north Pacific treaty will be discussed if the members of the committee decide to discuss them when the committee is convened.

Hon. Paul Martin (Secretary of State for External Affairs): This might be a convenient time, Mr. Speaker, to reply to a question which was asked me on May 28 by the hon. member for Queens. His question had to do with the instrument used by the Minister of Fisheries in accepting some of the recent recommendations of the international north Pacific fisheries commission. The hon. member also asked whether it was necessary or desirable to refer this matter to the standing committee of the house. That question has been answered by the Minister of Fisheries.

With regard to the first part of the question, I may say that it has two separate aspects. In the first place, the acceptance of the recommendations of the international north Pacific fisheries commission is clearly within the executive power of the government under the provisions of the convention which was tabled in this house on March 27, 1953, and under the implementing legislation which was approved by the house on April 2, 1953. Consequently the commission's recommendations were accepted by Canada on May 10, 1963, in a telegram which I signed as Secretary of State for External Affairs, addressed to the executive director of the commission, pursuant to this convention which had been discussed in this house.

Second, there is the question of giving effect for Canadian fishermen to the recommendation concerning the conservation of halibut in the east Bering sea. This was done through an amendment to the international Pacific halibut fishery regulations, in accordance with the North Pacific Halibut Fishery Convention Act which appears as chapter 43, 1-2 Elizabeth II.

The order in council to which my colleague the Minister of Fisheries referred on May 28, and to which reference was made a moment ago, was one promulgating this amendment, and I would point out that the implementing legislation approved by this house gives to the governor in council authority to make

regulations "for carrying out and giving effect to the provisions of the convention and any recommendations of the commission."

(Translation):

INQUIRY AS TO PERSONNEL OF CANADIAN DELEGATION

On the orders of the day:

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, my question is directed to the Minister of Fisheries. Can the minister tell the house the names and duties of the members of the delegation who will go to Washington for next Thursday's conference?

Hon. H. J. Robichaud (Minister of Fisheries): Mr. Speaker, tomorrow I shall have the complete list of the members of the delegation and I shall advise the house accordingly.

(Text):

Mr. T. C. Douglas (Burnaby-Coquitlam): A supplementary question. Will the advisory committee also be accompanying the Canadian delegation?

Mr. Robichaud: Mr. Speaker, in reply to the hon. member perhaps I could answer a question which was asked yesterday by the hon. member for Comox-Alberni and was taken as notice by the the Prime Minister. I would advise that the advisory committee to the north Pacific fisheries commission has been appointed consisting of six members, one from each of the following fisheries organizations: the united fishermen and allied workers union, the Pacific trawlers association, the native brotherhood of B.C., the B.C. fishing vessel owners' association, the fisheries association of B.C., the Prince Rupert co-operative fishermen's association. This committee has been consulted in connection with the discussions which are to commence on June 6 in Washington, but it is not the intention of the government that the members of the advisory committee attend the Washington meetings. However, this committee will be consulted again as negotiations proceed.

I may add that the delegation to Washington will include a representative from external affairs and technical advisers both from the staff of my department and from the industry. The department will also pay the expenses of two active B.C. fishermen who will act as technical advisers during the negotiations. A complete list of the names of the delegation will be announced tomorrow.

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, would the minister be kind enough to complete the record by giving us the names of the members of the advisory commission?

Mr. Robichaud: The names will be given tomorrow.

Mr. Douglas: A supplementary question. May I ask if the "two active fishermen" who are to accompany the delegation will be nominated by fishermen's organizations?

Mr. Robichaud: No, Mr. Speaker. In delegations of this kind it is not the practice of the government to appoint representatives from organizations as such. We will appoint two active fishermen—

Mr. Nowlan: Two active Liberals.

Mr. Robichaud: —who will be recognized as technically qualified to act as advisers.

LAKE ERIE—STEPS TOWARD SETTING UP MARKETING BOARD

On the orders of the day:

Hon. Rene Tremblay (Acting Minister of Agriculture): Mr. Speaker, on Friday last the hon. member for Kent, Ont., asked the following question:

> Since fresh water fish have now been included under the Ontario department of agriculture to make the formation of a marketing scheme possible, can the minister inform the house whether there is any regulation under his department that would make illegal the imposition of production quotas on producers under such an act?

There is no regulation administered by the Department of Agriculture that would make illegal the imposition of production quotas on producers under the farm products marketing act of Ontario.

(Translation):

LABOUR CONDITIONS

WINTER WORKS IN UNINCORPORATED PARISHES

On the orders of the day:

Mr. Gerard Laprise (Chapleau): Mr. Speaker, I should like to direct a question to the Minister of Labour.

Since there are many parishes not incorporated in my riding, can the minister tell us what are the intentions of the government concerning assistance to be given to the numerous unemployed in those communities next winter?

(Text):

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, the winter employment program of the government is presently under consideration, and the representations contained in my hon. friend's question will be taken into account in this consideration.

Inquiries of the Ministry

GREAT LAKES—DELAY IN LOADING CANADIAN SHIP AT CHICAGO

On the orders of the day:

Mr. A. D. Hales (Wellington South): I have a question to ask the Minister of Labour. In view of the United States court injunction directing an American union to cease boycotting the Canadian grain ship *Howard L. Shaw,* now in a Chicago dock, can the minister advise the house why this ship has not been loaded and released to its Canadian owners?

Hon. A. J. MacEachen (Minister of Labour): I am aware that a temporary restraining order was issued which would have the effect of allowing this particular ship to load at this port. My information is that the injunction was not respected, and for this reason the ship in question has not been able to load. We have been keeping in close touch with the department of labour in the United States on this question, and I think I ought to mention the co-operation we have received from both the department of labour and the department of justice in the United States. Representatives of both these departments appeared before the courts in Chicago supporting the application for this particular injunction.

CANADAIR—REQUEST FOR STEPS TO PREVENT LAY-OFFS

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to ask a direct question of the Minister of Transport. Is it the minister's intention to correct the precarious situation existing at Canadair regarding the dismissal of a large number of employees?

Hon. G. J. McIlraith (Minister of Transport): I am afraid, Mr. Speaker, I will have to take the question as notice. I did not hear clearly the latter part of the hon. member's question.

Mr. Pigeon: I repeat in English. Is it the minister's intention to correct the precarious situation existing at Canadair regarding the dismissal of a large number of employees?

Mr. McIlraith: Mr. Speaker, I do not know how a minister as such can correct a situation. In any event, if I understand the question to mean that the hon. gentleman is concerned with the lay-off of personnel at Canadair and he is trying to assist in getting work which would keep these people employed, then I am very much concerned and will take an interest in the question, and as a matter of fact I have had some conversations on the matter.

Mr. Pigeon: A supplementary question. Does the minister expect to have new contracts for Canadair?

Mr. McIlraith: I do not know the internal nature of Canadair's business or its ramifications. I do know that there is a great deal of concern among employees about the prospective shortage of work, and I think that concern is shared by people other than the employees of the company. Anything which can be done to alleviate that fear will be done.

Hon. Leon Balcer (Three Rivers): A supplementary question. I wonder whether the minister is in a position to report to the house on the negotiations between T.C.A. and producers of jet medium-range planes which could be built in Canada; like the Caravelle, which could be built 90 per cent at Canadair?

I wonder whether the minister could report to the house on the stages of these discussions between T.C.A. and the various companies, because this would be a wonderful way to look after unemployment at the Canadair plant at Montreal.

Mr. McIlraith: Mr. Speaker, much as I would like to be able to encourage my hon. predecessor by saying that a decision is imminent, I am afraid truth compels me to say that it may be some time before I have any announcement to make on those negotiations.

SUGGESTED EMPLOYMENT OF PERSONS RECEIVING WELFARE ALLOWANCES

On the orders of the day:

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, yesterday the hon. member for Vancouver-Kingsway (Mr. Webster) asked a question in connection with a policy recommendation by the Canadian federation of mayors and municipalities in connection with employable persons and welfare allowances. I have discussed this matter with my colleague the Minister of National Health and Welfare, whose department administers the agreements with the provinces respecting unemployment assistance. Representations have been made from time to time both for and against requiring employable persons receiving unemployment assistance to perform work in return for such assistance, and the matter is being carefully studied. However, I would like to tell my hon. friend who raised this question that there is no intention of making any immediate change in the present policy.

ARTS, LETTERS AND SCIENCES

ROYAL COMMISSION—LETTER FROM MANITOBA PREMIER RESPECTING TERMS OF REFERENCE

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I would like to direct a question to the Prime Minister respecting a letter he received from the premier of Manitoba. I wish to ask him whether the terms of reference for the proposed federal-provincial conference will be broad enough to include those things which are suggested by the premier in his letter and, if not, is the government now considering broadening and extending the terms of reference to include those other matters raised in the letter?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I think the proposed terms of reference for the commission in question are broad enough to enable the commission to consider every matter relevant to the problems of biculturalism and bilingualism, but naturally the terms of reference will be considered by the government in the light of the replies received from the provincial premiers, and they are not all in yet.

Mr. Olson: As a supplementary question, the letter from Premier Roblin specifically pointed to the fiscal aspect of co-operative federalism. Will this subject be included?

Mr. Pearson: Well, Mr. Speaker, there is a separate machinery of federal-provincial relations to deal with that particular matter, and it will be considered at the forthcoming conference of the provinces and the federal government. I do not think it was one subject specifically intended for consideration by the royal commission, but certainly some aspects of it will touch upon the problems of biculturalism and bilingualism, if the commission wishes to consider those aspects.

Hon. Michael Starr (Ontario): Would the Prime Minister advise the house which provinces have not replied as yet?

Mr. Pearson: I believe the provinces of British Columbia and Saskatchewan.

ROYAL COMMISSION—INVITATIONS TO YUKON AND NORTHWEST TERRITORIES

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, on Friday last I asked a question of the Prime Minister with respect to his letter of May 15 directed to the premiers of the provinces on the royal commission on biculturalism. His answer led me to believe he would be inquiring whether the letter was sent to the governments of the Yukon and the Northwest Territories. Can he now indicate whether similar letters were sent to the governments of the territories?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I have ascertained that a letter was not sent to the territorial governments in the same way that it was sent to the provincial governments. It was considered that any formal approach to these two governments in that way would be to abandon the established practice and raise the question again every time the federal government consulted the provinces. However, Mr. Speaker, we will invite the territorial governments to comment on the work of the royal commission and to submit briefs to the royal commission. They will be given the opportunity to appear before it.

(Translation):

TRANS-CANADA HIGHWAY

MONTREAL—PROPOSED CHANGE IN PROJECT

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Minister of Public Works.

Could the minister inform the house as to whether he intends to approve the new layout of the trans-Canada highway on the island of Montreal which was proposed recently by the provincial minister of highways? Could he tell us also what was the nature of the conversations he had lately with the latter?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, that most interesting project is under consideration at present and when a decision is taken it will be communicated to the house in the usual manner.

Mr. Pigeon: A supplementary question, Mr. Speaker. Does the minister intend to contribute financially to the construction of the trans-Canada highway without any strings attached, as the province of Quebec wishes?

Mr. Deschatelets: Mr. Speaker, the existing law will be applied in Quebec the same way as it is in all other provinces.

Mr. Pigeon: Another supplementary question, Mr. Speaker. Does the minister intend to propose an amendment so as to give the provinces greater freedom of choice as the government of the province of Quebec requested?

(Text):

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, I have a question for the Minister of National Defence which is prompted by yesterday's healthy development during the debate on interim supply.

My question is, are the political beliefs of one's relatives taken into account when enlistments or promotions are being considered in any branch of the armed forces?

Mr. Speaker: Order. I do not think this question qualifies. It is in the form of an argument rather than in the form of a question.

TRADE

JAPAN—NEGOTIATION OF VOLUNTARY QUOTAS ON EXPORTS

On the orders of the day:

Hon. J. W. Monteith (Perth): I should like to address a question to the Minister of Finance. Can the minister indicate what progress has been made in negotiating new voluntary quotas on imports from Japan?

Hon. Walter L. Gordon (Minister of Finance): No, Mr. Speaker, I am not in a position to answer that question. When the matter has been settled I shall be glad to make a statement to the house.

(Translation):

WORLD FAIR—INQUIRY AS TO FINAL APPROVAL OF SITE

On the orders of the day:

Hon. Leon Balcer (Three Rivers): Mr. Speaker, I should like to address a question to the Minister of Public Works. Could the minister tell us whether the world exhibition site in Montreal has been definitely approved by his department?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, nothing has changed since the day I sent a telegram to the mayor of Montreal, who was then in Paris, to the effect that we agreed with the decision taken by the former prime minister of Canada, subject to the shipping act.

[*Later:*]

Mr. Balcer: Mr. Speaker, I should like to ask the Minister of Public Works a question in connection with the answer he gave a moment ago with regard to the world's fair. I wonder if he has some comments to make on an item signed by a Mr. Lazarus which was published in yesterday's Montreal *Star*, and where it was stated that an official of the boundary waters commission called the site recommended by the authorities of the city of Montreal "the worst site he could imagine".

Moreover, could the minister tell the house when he will be able to give final approval to the site chosen for the world exhibition?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I did not read the statement of the expert just mentioned and who, I understand, was appointed by the government of which my hon. friend was a member. Anyway, I have no comments to make, and, not having read the article, I have nothing to add to the answer given earlier today.

Mr. Pigeon: A supplementary question, Mr. Speaker. Had the minister received all the needed technical reports before accepting the site, for instance the report of the St. Lawrence seaway authority and that of the municipal authorities of Verdun?

Mr. Deschatelets: Mr. Speaker, the authorities of the city of Montreal have undertaken to create an appropriate site and to give it to the world exhibition corporation. In so doing, they accepted to observe navigation laws on the river. Before any major work is carried out the authorities of Montreal will ask our assent and they will submit detailed plans to us. We will then give them the green light for starting work in the river.

Mr. Balcer: A supplementary question, Mr. Speaker. Does the minister want us to believe that until now he received no request from the authorities of the city of Montreal?

Mr. Deschatelets: Not with regard to starting the work, only in respect of some soundings needed at this time, but, as I say, not as far as starting work on Notre Dame island is concerned.

(Text):

JAPAN—REPORTED NEGOTIATIONS RESPECTING IRON ORE AND MACHINERY

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): I wish to direct a question to the Minister of Trade and Commerce. Is the government involved in the negotiations reported in the

last day or so concerning a major agreement dealing with Canadian iron ore and Japanese machinery?

Hon. Mitchell Sharp (Minister of Trade and Commerce): No, the government is not directly involved.

[*Later:*]

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce. Is the Export Credits Insurance Corporation or any other government agency involved in the reported negotiations for an agreement involving enormous quantities of Canadian iron ore and Japanese machinery?

Mr. Sharp: Mr. Speaker, if it has I have not been informed. I shall make inquiries and endeavour to answer the hon. member's question.

GRAIN

INQUIRY AS TO SALARIES OF EMPLOYEES OF COMMISSION

On the orders of the day:

Hon. Walter L. Gordon (Minister of Finance): May I reply to a question asked me yesterday by the hon. member for Rosthern. The hon. member asked whether it was possible to advise him when certain classified civil servants on the staff of the board of grain commissioners might expect their salary increases.

As I stated in answer to a question last evening by the hon. member for Winnipeg North Centre, the whole subject of civil service salaries is under review.

SUPPLEMENTARY PAYMENTS ON 1962-63 CROP

On the orders of the day:

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, yesterday the hon. member for Humboldt-Melfort-Tisdale (Mr. Rapp) asked me whether I would inform the house whether the Canadian wheat board will be in a position to make supplementary payments this year on the farmers' 1962-63 crop.

As hon. members know, under the provisions of the Canadian Wheat Board Act interim payments may be made to producers, providing such payments can be made without loss to the pool account involved. The Canadian wheat board advises me that the marketing operations on the 1962-63 pool accounts for wheat, oats and barley have not progressed to the point where the board is in a position to indicate whether or when an interim payment on these accounts may be made.

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): A supplementary question, Mr. Speaker. Is the minister in a position to say whether this applies to wheat also? He just mentioned oats and barley.

Mr. Sharp: I am sorry, Mr. Speaker; I thought I had said wheat. I include it, if I did not.

INDIAN AFFAIRS

FINANCIAL ASSISTANCE TO ENCOURAGE HIGHER EDUCATION

On the orders of the day:

Mr. Arnold Webster (Vancouver-Kingsway): I have a question for the Minister of Citizenship and Immigration. In view of the fact that increasing numbers of Canadian youth are attending institutions of higher learning but that only a small number of native Indian boys and girls ever proceed beyond high school, would the minister tell us whether any plans have been developed to encourage more of these young people to enter university next fall and thus remove this unfortunate discrimination?

Hon. Guy Favreau (Minister of Citizenship and Immigration): I thank the hon. member for having given me notice of this question. Without, of course, answering "yes" to the last part of the question, which speaks of discrimination, and without admitting that any discrimination exists, I wish to answer as follows. Indian students will receive financial aid to attend university in accordance with their needs, and no student who can meet the requirements for admission will be denied this opportunity solely because of lack of funds. Over and above the financial aid referred to, there is a program of scholarships to encourage outstanding students to continue with their education.

I wish to add that as far as I am concerned it is my firm and sincere intention to do my utmost to convince as many Indian students as possible to avail themselves of this type of assistance. I shall also do my best to persuade their parents to encourage them in this direction.

(Translation):

HOUSE OF COMMONS

DELAY IN DISTRIBUTION OF FRENCH "HANSARD"

On the orders of the day:

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I have a question for the Secretary of State, or at least I should like to point out to him that we have not yet received the French copies of yesterday's *Hansard.*

(Text):

Hon. J. W. Pickersgill (Secretary of State): I will draw this matter to the attention of the officials of the house. I believe the delay in producing *Hansard* arose because of the extraordinary rapidity with which the government answered the questions put on the order paper by hon. members.

(Translation):

Mr. Pigeon: I should like to direct a supplementary question to the Secretary of State. I wonder whether that is his conception of bilingualism as advocated by his leader?

(Text):

Mr. Pickersgill: Yes, sir. My conception of bilingualism is that it is quite proper to speak in either official language and that no other hon. member should comment upon it, regardless of which language is spoken in this house.

(Translation):

Mr. Speaker: May I add that the French version of *Hansard* is now available to the hon. members of the house.

(Text):

HEALTH AND WELFARE

CONSIDERATION BY COMMITTEE OF DANGER OF PESTICIDES

On the orders of the day:

Mr. G. W. Baldwin (Peace River): I wish to direct a question to the Minister of National Health and Welfare. Has the attention of the minister been drawn to the report of the science advisory committee of the President of the United States dated May 15 dealing with the use of pesticides, and will she use her good offices—which I am sure she could do to great advantage—with the Secretary of State to try to see that the special committee which was referred to on May 23 is set up as soon as possible to deal with this and other matters?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): As I reported earlier to the house, it is the intention to set up a committee as soon as practicable.

Mr. Baldwin: In the light of the statements made by officers and members of the Canadian Medical Association and the excellent speech made in this house by the hon. member for Simcoe East, is the minister prepared to recommend that the terms of reference of this committee be extended to cover the relationship between smoking and lung cancer?

Miss LaMarsh: As presently conceived, the committee which is to be constituted will have terms of reference slightly different from those of the committee set up last session, but it is not the intention that smoking in relation to lung cancer should form any part of the considerations of that committee, nor is this under consideration at present.

CONSIDERATION OF EXTENSION OF HOSPITAL COVERAGE

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare. Is the minister aware of the resolution adopted at Winnipeg over the week end by the Canadian Mental Health Association asking that the Hospital Insurance and Diagnostic Services Act be amended to include provision for mental hospitals and institutions providing psychiatric care? Is the government giving consideration to that request?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, in answer to the first part of the question, yes; in answer to the second part, not yet.

NORTHERN AFFAIRS

DAWSON CITY FESTIVAL—REPORTED STATEMENT IN "GLOBE AND MAIL"

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to address a question to the Minister of Northern Affairs and National Resources. Has the hon. gentleman any information to give the house with respect to a statement in today's *Globe and Mail* attributed to a spokesman of his department to the effect that the Dawson city gold rush festival was a "can of worms"? Is the use of this language an indication that some people are wriggling?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): I regret very much that the words used were attributed to an official of my department. The Dawson city gold rush festival is one of a number of matters which are receiving close study by the department at the present time, particularly with reference to the possible financial involvements that we may have. However, I want to assure the hon. member that I know of nothing which would justify him or any other member of the house going on a fishing expedition.

Mr. Erik Nielsen (Yukon): Will the minister assure me, and through me the people of the Yukon, that while these investigations are going forward his department will not neglect a close scrutiny into the millions of dollars of revenue which resulted indirectly from the Dawson city festival last year, federally and territorially, thereby justifying the investment by the public?

Mr. Laing: The point which the hon. member has brought up has no relation to the investigation we are making.

[*Later:*]

Mr. Nielsen: Mr. Speaker, I have a question for the Minister of Northern Affairs and National Resources. I regret not having given him notice, but the question arises out of an article in the *Globe and Mail* this morning. Can the minister assure me and the people of the Yukon Territory that the government will continue to support the Dawson city festival, in view of the greatly increased revenues that resulted from last year's festival and the expectation that it will continue?

Mr. Laing: Mr. Speaker, I do not think the festival is being continued this year, but the territorial government has set aside a relatively small sum of money, $6,000, for a local group that is putting on shows or performances in the building that was constructed there.

HOUSING

REQUEST FOR FINANCING OF EXISTING HOMES

On the orders of the day:

Mr. H. Russell MacEwan (Pictou): Mr. Speaker, I should like to direct a question to the Minister of National Revenue, who reports to parliament for the Central Mortgage and Housing Corporation. Is the government giving consideration to the reduction of N.H.A. interest rates and the extension of National Housing Act lending facilities to older homes, as he suggested in the house? If so, does he expect to make an announcement on these important matters at an early date?

Hon. J. R. Garland (Minister of National Revenue): Mr. Speaker, I know the hon. member is aware of the announcement in the speech from the throne that certain amendments would be made to the National Housing Act. All these matters to which he has referred today, and others, are under consideration but are, of course, a matter of government decision to be announced at the appropriate time.

LABOUR RELATIONS

NORRIS COMMISSION—INQUIRY AS TO REPORT

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I should like to ask a question of the Minister of Labour. Does he anticipate receiving the Norris commission report and recommendations in the near future? If so, has he any idea as to when he might receive them?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I understand this particular report will be forthcoming this week. I hope it will.

(Translation):

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Gerard Perron (Beauce): Mr. Speaker, I should like to direct a question to the Prime Minister. In view of the great speech delivered by the Prime Minister on December 17 last and also of the speeches he made during the election campaign in which he said how important biculturalism is in his opinion, can he tell the house why seven times out of ten we receive answers in English when our questions are put in French to the ministers?

Mr. Speaker: Order. I am sorry to interrupt the hon. member, but in my opinion his question is out of order.

(Text):

IMMIGRATION

QUEBEC—STATUS OF ALLEGED SABOTEUR

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I should like to ask the Secretary of State for External Affairs if he has prepared an answer to the question respecting the status of one of the men captured in the F.L.Q. activities, as he promised to do today?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the hon. gentleman is quite correct, but on reading the question I decided it was one which properly belonged to the Minister of Citizenship and Immigration, and he has the question under advisement.

TRANS-CANADA AIR LINES

WINNIPEG—TRANSFER OF OVERHAUL AND MAINTENANCE BASE

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Transport. Has a date yet been set for the government of Manitoba and its delegation to appear before the government of Canada with respect to the question of retaining T.C.A.'s maintenance and overhaul base at Winnipeg?

Hon. G. J. McIlraith (Minister of Transport): Yes, Mr. Speaker.

Mr. Knowles: May I ask a supplementary question. Would the minister give the date, and can he say that no decision about moving the base will be made until after that delegation has been heard?

Inquiries of the Ministry

Mr. McIlraith: I am speaking from memory, Mr. Speaker, but I think the date is June 18. I had offered an earlier date but the provincial authorities found it unsuitable. Subject to correction, I think the date finally set is June 18. I might say, as to the final decision, that a firm of consultants were retained by the previous government to review this matter. I have forgotten the date, but that was done shortly before the election. In any event, the report of that consulting firm will be received in July and the decision made some time ago will, of course, be reviewed in the light of that report when it is received.

ROYAL CANADIAN MOUNTED POLICE

GORDON KNOTT—REQUEST THAT FILE BE DESTROYED

On the orders of the day:

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have a question for the Minister of Justice: It arises out of his very generous and frank statement last night with regard to a case that I brought to his attention last Friday. My question is, now that investigations have revealed that the information contained in the R.C.M.P. file on this young man Gordon Knott is without foundation, will he issue instructions that this file be removed from the custody of the R.C.M.P. and destroyed?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, as my hon. friend rose I was prompted to think of the phrase *timeo Danaos.* Notwithstanding that, I could not answer the question without consulting with the commissioner, which I will do and will be glad to give the house a reply at a later date.

CANADIAN NATIONAL RAILWAYS

PROTESTS RESPECTING CLOSING OF STATIONS IN WEST

On the orders of the day:

Mr. C. S. Smallwood (Battle River-Camrose): Mr. Speaker, I have a question for the Prime Minister. Did the Prime Minister receive a telegram today from the Edgerton chamber of commerce regarding the action of Canadian National Railways in closing their stations in many communities in western Canada? If so, what action did the Prime Minister take?

Right Hon. L. B. Pearson (Prime Minister): Not to my knowledge, Mr. Speaker, but I will make inquiries as soon as I go to my office.

[Mr. Knowles.]

UNEMPLOYMENT INSURANCE

EXTENSION OF BENEFITS TO WORKERS IN U.S.

On the orders of the day:

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I should like to reply to a question asked last Friday by the hon. member for Dorchester (Mr. Boutin), who asked for information in connection with negotiations between Canada and the state of Maine aimed at granting unemployment insurance benefits to Canadian lumbermen.

In reply I would advise my hon. friend that discussions on this particular matter began in 1944. The most recent meetings were held in May and August 1962 with representatives of the state of Maine, the United States government and the unemployment insurance commission. The most recent exchange between the state of Maine and the unemployment insurance commission took place in March of this year.

While progress was made in connection with determining the cost implications of such an agreement, I must say that no agreement has yet been concluded.

AGRICULTURE

SUNFLOWER SEED—INQUIRY AS TO SUPPORT PRICE

On the orders of the day:

Hon. Rene Tremblay (Acting Minister of Agriculture): Mr. Speaker, last Friday the Minister of Agriculture was asked a number of questions on orders of the day and he took three of them as notice. The first one, asked by the hon. member for Lisgar, was as follows:

—now that he has announced the support price of soybeans, when will he be announcing the support price on sunflower seed?

It is anticipated that as usual the announcement concerning the support program for sunflower seed will be made some time in July.

EXPANSION OF OPERATIONS UNDER MARSHLAND LEGISLATION

On the orders of the day:

Hon. Rene Tremblay (Acting Minister of Agriculture): Mr. Speaker, on Friday last the hon. member for Cumberland asked the following question:

Is it the intention of the minister to expand the operation of the M.M.R.A.?

The projects submitted to M.M.R.A. by all provinces and approved have been completed. The present activities under the Maritime Marshland Rehabilitation Act are, therefore,

of a maintenance nature. The M.M.R.A. organization, however, is being integrated with ARDA to assist in the conduct of ARDA programs in the Atlantic region.

Mr. Robert C. Coates (Cumberland): Mr. Speaker, I have a supplementary question for the Acting Minister of Agriculture. Is it the intention of the government to amend the present Maritime Marshland Rehabilitation Act so as to be able to better carry out the functions the minister has indicated?

Mr. Tremblay: Mr. Speaker, this is a matter of policy, and the government will announce its policy in due course.

CANADIAN BROADCASTING CORPORATION

ST. JOHN'S, NFLD.—CONSTRUCTION OF TELEVISION STATION

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to address a question to the Secretary of State in his role as liaison man with the broadcasting industry. Does he see any way by which the government can help in speeding the building of the C.B.C. television station so eagerly awaited in his home province of Newfoundland?

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, I will be only too happy to do anything I possibly can to facilitate improved broadcasting in any part of Canada, but parliament has charged certain agencies with this responsibility and I do not think it would be wise for me to try to usurp the functions of those agencies.

(Translation):

ADMINISTRATION OF JUSTICE

QUEBEC—MOUNTED POLICE PATROL OF PLAINS OF ABRAHAM

On the orders of the day:

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, yesterday the hon. member for Chapleau asked a question concerning those who were responsible for patrolling the park on the Plains of Abraham.

I have received information on this matter and I must say that the R.C.M.P. is responsible for patrolling the park. However, that does not change anything of what I said as regards offences against the Criminal Code which, under the constitution, come under the jurisdiction of the city police.

Mr. Gerard Laprise (Chapleau): I should like to ask a supplementary question, Mr. Speaker. During the off-season for tourists, is the protection given by the R.C.M.P. on the Plains of Abraham adequate?

Mr. Chevrier: According to the information I have now, the answer is yes.

(Text):

NATIONAL DEFENCE

APPOINTMENT OF SPECIAL COMMITTEE

The house, resumed, from Thursday, May 30, consideration of the motion of Mr. Pearson:

That a special committee be appointed to consider matters relating to defence and to report from time to time its observations and opinions thereon; that the committee have power to send for persons, papers and records and to examine witnesses: that it be empowered to adjourn from place to place; that standing order 67 be suspended in relation to the committee; and that the committee consist of 24 members to be designated by the house at a later date.

(Translation):

Mr. Gerard Chapdelaine (Sherbrooke): Mr. Speaker, in my race against the clock last Thursday, I lost, and so I was unable to complete the short speech I had begun to make in respect to the establishment of a committee on defence.

However, I am glad that an occasion is given me today, following the death of His Holiness Pope John XXIII, to pay a public tribute to that great man for the important part he played in favour of world peace.

Mr. Speaker, I want to repeat what I said the other night to the effect that this debate on the motion of the Prime Minister (Mr. Pearson) aiming at the establishment of a special committee on defence is not a debate on defence itself. The hon. members who preceded me have inadvertently explained the policies of their parties, when they should have made constructive suggestions for the proper operation of the committee.

If we read again the resolution on the order paper, we see that the purpose of the committee is—

to report from time to time its observations and opinions thereon.

In my opinion, Mr. Speaker, if the defence committee is not given greater powers, it is useless to set it up because then it would be just a make-believe body, one that would have in fact no real power.

That committee should be in a position to impose its decisions on the government because if we go to the trouble of setting up a committee to study defence problems, we must, to be logical, give it some authority.

At the present time, from the wording of the resolution, it is difficult to see clearly what the role of the committee will be, because it is said that it will report from time to time. It does not say when, it does not say how and it does not say what its responsibilities will be.

There is no need, Mr. Speaker, to repeat that we, of the Social Credit party, are in favour of that committee, because all our members, during the last election campaign, advocated such a study of Canada's defence problems.

In that respect, may I read you, Mr. Speaker, the second paragraph of our election program on national defence:

(Text):

The defence of Canada must be maintained. In light of changing military techniques and strategy, Canada's defence policy must be removed once and for all from partisan politics. Social Credit pledges that upon election, it will immediately appoint a non-partisan parliamentary defence committee through recommending defence policies in light of secret security information, military requirements, and international developments.

(Translation):

If we have adopted this attitude, Mr. Speaker, it is for a specific reason. Since the question was raised as to whether Canada should get nuclear weapons, we have realized that Canada has been subject to pressures from many sources, and in the past, those pressures have placed our country in the rather unusual situation which we have experienced in the last parliament when nobody seemed to know exactly what was our position concerning defence problems.

On the one hand, we are under American influence and our friends, the Liberals, should know something about that. This influence is being shown more and more openly.

Mr. Speaker, if you would read a recent article written by Mr. Melvin Conant in the *International Journal* magazine, you would find revealing facts such as these:

(Text):

For it is certain that other weapon systems, now anticipated, and of the nuclear variety, will deepen and enlarge the Canadian commitment.

(Translation):

And further on—

(Text):

There should be no mistake about this; a nation unwilling to share the burden of defence cannot expect to retain undiminished—much less increase—its political role. From the point of view of an American, such an abdication would be a tragedy of great proportion.

(Translation):

In the same article, Mr. Speaker, we read the following passage:

(Text):

If all the above suggest the historic importance of the initial decision which Canada will make this spring, then perhaps some fresh perspective is gained on the nature of that decision. Canadians are not being asked to determine simply the arming of several contemporary weapons systems; Canadians have been asked to say if they intend to be a major participant in the alliance. Its friends can only hope it will answer the question with a ringing affirmative.

(Translation):

On that point, Mr. Speaker, it is quite obvious that the United States are determined to have Canada equipped with nuclear arms, so that we would, in a way, pay our share of the expenses. Moreover, the United States would thus feel secure in the knowledge that we would integrate into their defence policy, and would not, if war broke out, suddenly decide to stay neutral.

If we continue to acquire nuclear arms as we did under the Liberals, we shall play straight into the hands of our American neighbours.

But we must also take into account the influence from the east, that is to say from the communist world. That influence shows itself in many ways, through the Canadian peace congress, the voice of women and other similar groups which are convinced that Canada can do without nuclear arms.

Let us not fall into that trap either, Mr. Speaker. I believe we should see clearly the purpose of the influences that are being exerted from both sides.

I have here a publication issued by the national committee of the communist party of Canada dated May 16. We can see in it the relations which exist at present between the communist party of Canada, influenced by the communist party from Moscow, and a certain organization such as the national congress for peace. Here is what we actually find in the statement of the national communist party:

The will of the people must prevail. On April 8, 59 per cent of the electorate repudiated the Liberals.

It is certain that the Liberal party does not have the authority at this time to acquire nuclear weapons for Canada. This is what we find, in terms quite similar, in a publication sent to the NATO council which met here in Ottawa in May 1963:

(Text):

The Liberal government, which took office with a minority of seats, has no mandate from the Canadian people to enter into any arrangement or treaty involving nuclear arms for Canada.

(Translation):

We can perceive in the same publication the influence from the U.S.S.R. which is obvious in the following words:

(Text):

Formation of a military alliance of "the west" has inevitably produced a military alliance of "the east".

(Translation):

Then one can see in reading those letters how deceitful is the propaganda of that movement which claims to be a movement for peace because the west is charged with the fault of the east which wanted to get armed the same as all the other countries.

Mr. Speaker, I think that a committee where the matter of defence would be discussed is the most natural system which we can dream of in order to protect ourselves against all those influences bringing us to take non-Canadian stands, for they are rather American or Russian, depending on whether or not we accept nuclear arms.

I am not one of those who are automatically opposed to nuclear arms, nor am I one of those who will necessarily accept them.

I am of the opinion of a certain Mr. Tossanyi, a professional engineer and geologist, commanding officer of the Hungarian paratroopers regiment, who has examined the question seriously and has come to the conclusion that we should not have nuclear weapons. However, I would not say that I am entirely of his opinion when he says that we should not have nuclear weapons of any kind whatsoever. It is logical and reasonable to think, in view of our geographic position, that we could come to the conclusion that defensive weapons are a necessity.

I will quote what this gentleman has to say about the influences which come from all sides and which affect our judgment:

(Text):

According to *Time* magazine, in 1959, Norstad, the allied supreme commander in Europe, briefed the Canadian cabinet in Ottawa on NATO's changing needs, and suggested that Canada should switch from an interceptor role to a strike-reconnaissance role, and suggested the two-key control. Subsequently the so-called "tactical strike-reconnaissance" aircraft, the CF-104, was acquired—

From utterances, it appears that our political leaders were under the impression that with the acquisition of these weapons, we still had a non-nuclear alternative.

(Translation):

The funny part of the situation, Mr. Speaker, is to see our government leaders who have been squabbling for a certain time to determine whether or not there has actually been any commitments.

A Toronto newspaperman working for the *Daily Star* has given a good summary of the situation when he said: "In fact, there has been no formal commitment", but he adds in conclusion:

(Text):

If the Pearson government is convinced we should get nuclear arms, let it justify the weapons on their merit, if any. But let it stop trying to tell the Canadian people it's all the fault of the Diefenbaker administration.

(Translation):

The situation continues because nobody seems to know whether there has been any commitment.

Indeed, the Diefenbaker government was overthrown because it refused to tell us whether there were any commitments and because it had no defence policy in spite of the representations we made in that connection.

Today we find ourselves in exactly the same situation.

Therefore, Mr. Speaker, it would be up to the parliamentary committee to determine how much we are bound by any commitment and, if there is no commitment at all, to take a decision which would be truly our own. It would be a "made in Canada" decision not a "made in Russia" or a "made in U.S.A." decision.

Mr. Tossanyi continues as follows:

(Text):

One cannot escape the conviction that Canada was gradually accepting nuclear armament through the back door, which suited perfectly the U.S. and Canadian military planning.

(Translation):

In my opinion, sir, it is just as bad for Canada's defence policy to follow too closely that of the United States as it would be to follow that of Russia.

Canada is an adult nation and I feel that, as such, it should adopt a truly Canadian policy.

That is why I find that it was ill-advised on the part of Judge Thorson of the exchequer court to make the remarks he made. In my opinion, it is ill-advised for any man holding such a high position in our country to try to influence the policy of the government and the decisions that might be taken by the defence committee at this time. It is up to the parliamentary committee on defence to establish our defence policy.

Comments from outsiders such as Judge Thorson are ill-advised and ill-timed.

Consequently, in view of the complex decisions we will have to make concerning defence problems, I feel that Canada has a unique opportunity at this time to play an intelligent role toward the achievement of world peace.

We are placed between two spheres of influence, each trying to get Canada to accept a foreign-made policy.

In my opinion, the main purpose of the special committee on defence will be to see to it that Canada plays its role between these two spheres of influence and decide where it should stand better to serve peace.

Appointment of Defence Committee

(Text):

Mr. Jack McIntosh (Swift Current-Maple Creek): Speaking on this motion, Mr. Speaker, may I first state that I was sorry the government found it necessary to restrict the membership of this committee to 24. To me it is fairly obvious there are a great many more hon. members of the house who are extremely interested in the subject of defence and who are obviously not all of the same opinion.

Those of us who are not selected as members of the committee will be restricted in our efforts to study the issue as we would like to do. We will be unable to obtain answers to the questions which as individuals we have a right to ask, and also to ask on behalf of the people we represent. When the Prime Minister remarked that this was an entirely new type of committee to be set up, the first one in Canada, I hoped he would have made the committee unrestricted and open to all hon. members of the house, to all those who are interested, and this would have given the privilege to all hon. members to ask questions as they desired.

As the motion now reads, only 24 selected members will have this privilege. I am aware that hon. members of the house can attend the committee hearings, if they wish, but they are restricted in asking questions.

I was pleased to hear the Minister of National Defence state that the purpose of the committee is to study all aspects of defence, including policy. He felt all hon. members should be given every opportunity to obtain first hand information on the facts. I appreciate that. As recorded at page 485 of *Hansard* for May 30 the minister said:

> —notwithstanding the terrible confusion which engulfed most aspects of this question during the campaign, and notwithstanding the confusion which still exists and the great mass of inaccurate and incomplete information, we think there is a genuine desire on the part of all hon. members to come to grips with this subject—

I believe he could have added that there is also a great desire on the part of the public to have the facts placed before them, after the confusion we all know existed during the recent election campaign.

In view of the minister's statement I wonder whether the minister would be prepared to get the committee off to a good start by placing one important fact before the house this time. To begin with, I am sure the Canadian people would be very grateful to him for a direct answer, yes or no, to a question put to him on May 20, as recorded at page 37 of *Hansard* of that date, and which he left unanswered. I would put the question again:

> In an interview shortly after being sworn in the present minister is reported to have said that he expected a Canada-United States agreement on custody and control of nuclear warheads to be signed in about a month's time, an agreement which requires both parliamentary ratification and congressional approval as well as the signatures of the contracting parties.
>
> In view of this statement, would the minister now refute his former claim, which misled the Canadian public, that the Conservative government had fully committed Canada to equipping its air squadrons and Bomarc missiles with nuclear warheads—

And the rest of the question read:

> —and was therefore abandoning its duty in not accepting them.

As the minister declined to answer, may I ask him how can he relate what he told the public during the election campaign, about Canada's commitment on defence, to the statement he made in the House of Commons in reply to a question put to him by the house leader of the opposition? The question, as recorded at page 484 of *Hansard* of May 30 was:

> May I ask the minister what agreement has to be signed?

His reply was:

> As the hon. gentleman should know, if he had done his homework on these matters, these warheads cannot be made available to any friendly nation unless, first, a general agreement has been signed between that nation and the United States of America; and as my hon. friend further knows, his government spent about four years trying to work out such an agreement. With the speed with which they did things they still have not achieved it.

I will take the minister's reply, which is now recorded in *Hansard*, as the word of a responsible member of the government; that when the Liberals took office in April, 1963 there was no signed agreement and therefore no commitment by Canada to acquire nuclear warheads. I believe the present government, and particularly the Minister of National Defence, are now duty bound to inform the Canadian public of the truth that upon taking office they did find that Canada had not been officially committed. As late as April 8, 1963 Canada had not signed any agreement to take nuclear warheads for her weapons. Therefore there was no commitment on any one's part.

I further believe it is the duty of the press to inform the Canadian people that while the Conservative government was in power no commitment had been made to accept nuclear warheads by Canada. At least let the committee begin with clarification on this one point, a point which confused the public during the election campaign. There were no grounds for the Liberal accusations at that time, and I think it has been established by the minister's statement that Canada was definitely not committed when the Conservative government was in power.

Mr. Hellyer: That is not true.

Mr. McIntosh: Actually, Mr. Speaker, the cost of defence has always been a staggering item to all taxpayers and I, as well as a great number of other taxpayers, do not

believe we are getting our money's worth. I believe we all accept the fact that funds are expended today for certain equipment which may be outmoded tomorrow. But it is not equipment I intend to deal with at the present time. When dealing with defence, I feel the public are entitled to straightforward answers to some pertinent questions, one of which might be: are the three services which make up our forces of national defence organized to fight in accordance with the present day concept of war? My answer to that question would be, no. I understand our military organization has changed little since the days of 1914 or 1940 although the role of our forces today is entirely different from what it was then. Our whole organization is based on a five and six division operation, including the numerous headquarters staffs which go to maintain units within those divisions. Our military organization is top heavy; it should be modernized and streamlined in keeping with Canada's new role in the defence of the North American continent. If the trend to expand the senior positions in our services could be curtailed, the taxpayer, I believe, could be saved a considerable amount of money.

On the subject of organization and senior personnel, may I say that I believe we have delegated, since 1950, too much power to the chief of our general staff. When the National Defence Act was revised in 1950, personal authority was given to the C.G.S. far beyond that of his counterpart in Great Britain. British parliamentary reforms throughout the years established the principle that no single commander in chief should have sole responsibility for the control and administration of the army. Ever since 1904, since the Esher reforms, the British army has been administered by an army council composed of political, military and civil service officials. This council has survived severe tests in two world wars and has remained an effective and efficient instrument of government policy in the administration of the army.

The weakness of full military control similar to that which is at present in effect in Canada has been illustrated over and over again in other countries. History reveals that the German general staff was supreme in military matters and powerful enough to ignore the advice of the civil authorities. As a result, decisions of the German general staff plunged Germany into two needless and unsuccessful wars. Surely, no similar action should be taken in Canada delegating authority to the military. It should be a warning to us in Canada; we do not want to follow the same pattern as Germany did.

One of the pitfalls resulting from the power delegated to the chief of staff by the Canadian parliament is the natural tendency of people in authority to gather about them like-thinking friends. Someone has said: "Where everyone thinks alike, no one thinks at all". This situation, to me, represents a major danger attaching to this type of control. I understand that the chief of the general staff is also a member of the joint chiefs of staff committee but that he is not bound by the decisions of that committee. The Prime Minister (Mr. Pearson) told us the other day that the chairman of this committee could be called as a witness before the committee which we are now proposing to set up. But if the chief of the general staff is not bound by the decisions of the joint chiefs of staff committee, what would be the use of calling the chairman of that committee to give evidence? Regardless of the confidence we have in our present chief of staff or in his successors, I submit that such delegation of power to one individual is dangerous, not only to Canada but also to the individual who is charged with this responsibility. I trust the present minister will introduce legislation to rectify the existing outmoded system of military organization and control.

Another question which might be raised is this: are our services equipped to fight on a nuclear battlefield? This is a question which should be answered to the satisfaction of hon. members of this house. It brings up the contentious subject of equipping our armed forces with nuclear weapons. Some will argue that if such a step were taken we should be joining the nuclear family. As members of this house, let us not fool ourselves. We are charter members of that family now. We have been an exporter of uranium for the past 14 or 15 years and as such have been full members of a great nuclear alliance whether we like it or not. Even if we wished, now, to proclaim our innocence in this regard it would be too late. We cannot deny the fact that Canada has supplied essential material for the manufacture of nuclear explosives, nor can we plead innocence by saying we were unaware of the use to which our raw material was being put. If guilt is to be attached to any one person, let us face the facts. We are all guilty.

Hardly a week passes in which members of this house do not receive a brief or letters from some organization maintaining that if we were to acquire nuclear weapons we would end all possible chances of bringing peace to the world. Other correspondents maintain we should disarm in order to bring peace to the world. Still others maintain that if we were to ban the bomb we should

bring peace to the world. In each case, it would seem to me, those subscribing to any of these theories assume they have a monopoly on the desire for peace, and all others subscribing to contrary ideas or views are classed as warmongers. In some cases, I would suggest, certain individuals have lost sight of the main objective, which is one of peace, and have gone overboard as to their professed method of obtaining this objective. The desire for peace is, I believe, the sincere desire of everyone in this house and of every Canadian, even if we cannot agree on the method of achieving this objective. The desire for peace is not confined to any one individual, or group of individuals, nor does it necessarily follow that any one party or individual has the solution to this problem. Like many others, I believe Canada should acquire nuclear arms and that by so doing we would best ensure that our efforts to bring peace to this modern world will be successful.

The question of whether these arms would be defensive or offensive weapons is, to me, splitting hairs. Any weapon can be a defensive or an offensive weapon depending on how it is used. It also depends on the range of the weapon.

To those who maintain the acquisition of nuclear arms by Canada would be detrimental to world disarmament, I say: let us be realistic. In my opinion, it is not logical to assume that the U.S.S.R. are really interested in general disarmament. Communism was born in violence, and its spread to other countries has always been accompanied at some stage with force or threat of force, and has been maintained by the same means. For Russia to disarm would mean the end of its avowed aim of world domination and, certainly, the loss of its satellite states. The Soviet union would no longer be a world power.

I believe the fact that the free world possesses a nuclear striking force capable of dealing unacceptable damage to any aggressor has prevented the proponents of communism from embarking on an adventure designed to force the free world to submit to their principles. I suggest that the creation of the NATO shield saved Europe and the free world from Soviet occupation and further aggression. Our duty, I believe, is to convince the Soviet union that their might is cancelled out by the strength of our defences—I refer to the defences of the North American continent under NORAD. The power of the free world to retaliate is the greatest deterrent to any thought Russia may have of world domination.

As a sovereign nation, we should be proud to be an ally in the free world, playing our part in an undertaking which has halted the advance of the aggressor. Some in this house have contended that Canada should adopt a neutral role. They have pointed out the advantages which have accrued to countries such as Switzerland and Sweden as a result of their neutrality. Very seldom is mention made of the disadvantages encountered by Holland and Belgium because of their adoption of a like role. History has proven that there are no advantages to countries in a neutral role if the potential aggressor will not recognize or respect that neutrality. The geographical location of a country in a conventional war dictated whether or not the country would benefit from a neutral role. Geographical location will mean very little of a practical nature in an atomic war.

As a member of parliament I believe, as I am sure we all believe, that it is our responsibility to legislate for the best defence the people can afford. Where can we get the most for our defence dollars? As I previously stated we are not unanimous as to the method of providing this defence. I support the acquisition of nuclear warheads for Canadian defence because I believe they will reduce the amount of fallout from a number of atomic bombs, should they be released over Canada by manned bombers or otherwise. I also suggest that we obtain nuclear warheads for every weapon we have capable of firing them. Because if my information is correct, that nuclear warheads are the only known method of preventing fallout from atomic bombs, then it is our duty to prevent as much fallout as we can from taking place over Canadian soil. We should place more emphasis on the fallout from the atomic bomb, not on the bomb itself. Fallout is the more dangerous to our people.

Most Canadians believe the United States is determined to defend the North American continent—and in so doing they are bound to defend Canada from external aggression, almost regardless of whether or not Canadians wish to be defended.

If this is the present defensive plan of the United States, then does it not follow that Canada can never, consistent with her own interests, ignore the requirements of American security? Because in continental defence, which I think we have to admit is what is required at the present time, we recognize that the security of the United States is also the security of Canada. A joint defence is essential because of the changed circumstances. We cannot defend ourselves alone.

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I am, like everyone else, is or should be, keenly interested in this matter of defence. If I might be a little sentimental to start, may I say that I am interested in this question of defence because I am a

member of humanity. I am one of the billions which go to make up this world. I also have the honour of being one of the 265 members of the House of Commons representing the 18 million souls who reside in our country. Going beyond that, I have the honour of being the representative of the wonderful constituency of Vancouver East. And going beyond that, I have a wife, three children, and the three children have given me 12 grandchildren. So that going from the individual to the family, to the community, to the constituency, to the province, to the country and to the world, we must all have a keen interest in defence, and in the meaning of defence, so that there shall never be another world war. Because on an individual, a family, a community and a world basis we want to see ourselves, our families, our countrymen and our people live their lives to a natural death, not to an unnatural death through the holocaust of a thermonuclear suicidal war. That, sir, is my introduction, because it is the way I feel.

Mr. Speaker, I am not going to repeat the broad principles and policy in defence and foreign affairs as we in the New Democratic party see them because they have been very fully and capably outlined by our leader, the hon. member for Burnaby-Coquitlam (Mr. Douglas). I have no hesitation in saying that I think one of the curses of this parliament and of previous parliaments is too much useless repetition, and so I do not intend to be guilty of that. In the time at my disposal I want to refer to the resolution before us, which is concerned with the appointment of a special committee of the House of Commons on defence. I am most certainly in support of the appointment of that committee. I am most certainly in favour of the broadest possible terms of reference. I hope it will be a committee that can function. Committees can function if they are given the opportunity. You need only refer to the public accounts committee of past sessions to see that it did function. It did work and it brought in recommendations; and if cabinet ministers and the departments concerned did not pay any attention to those recommendations, then the next year the public accounts committee called them to account. So that committees can function.

Mr. Speaker, I hope this proposed committee will function, but I am sorry to say that I am wondering whether it will. That is why I am speaking this afternoon. I had the privilege of being a member of the prior committee on defence established in 1960. I hold in my hand the transcript of the evidence of that committee. It is quite a blue book. It was a committee appointed by the previous government. At the moment I am interested in two members of that 1960 committee—myself, who was the sole representative from our party on that committee, and from the former opposition, the hon. member for the constituency of Trinity, now Minister of National Defence (Mr. Hellyer).

Mr. Speaker, if I may say so, between the two of us we might have been called the "unholy trinity" on that committee because neither of us ever missed a meeting. It was just about as close as we ever came to coalition because we always sat side by side, and if he could not get a seconder to a motion I would second it, and if I could not get one he would second it. Over the week end I have been going over that committee transcript, and through you I am reminding the Minister of National Defence of the frustrations we had when we sat on that committee. If you asked a pertinent question—not an impertinent question but a pertinent question— of the military witnesses, what was your reply seven times out of ten? "That is policy; ask that question of the minister". So we got the minister in front of us and the hon. member for Trinity and myself would put our questions to the minister of national defence.

We asked the same pertinent questions in order to understand defence policy and defence expenditures. Seven times out of ten what was the answer of the minister of national defence? We received a quizzical smile and the answer, "For security reasons those questions cannot be answered", or, "No comment", or, "To answer that question is not in the public interest". I am certain that I do not have to warn the hon. member for Trinity who is now the Minister of National Defence. That was it right down the line. We hope, sir, that is not going to be the experience in the proposed committee, but I am very sorry to say I am afraid it is going to be unless there is a change in the attitude of the Minister of National Defence.

Mr. Hellyer: Don't prejudge.

Mr. Winch: He wonders why I say that. It is because of the way he answers, evades and weasels on questions asked on orders of the day. If that is going to be his attitude in the committee, it will be as big a failure as the one in 1960. I sincerely hope this will not be the case.

In all my life in parliament, sir—and that is a long time now—I have never threatened. However I do want to say this as an intimation to the minister, that I anticipate being a member of this committee when it is established, and having sat with the now Minister of National Defence on the committee in 1960 when he was a member of the opposition, let him not be surprised—because basically the picture has not changed—if I ask

him the identical questions which he asked of the three Conservative ministers of national defence and expect the answers that he did not get and fumed because he could not get them. I will not only speak from memory, sir; I will also speak with the book right alongside me.

I notice that the resolution says the terms of reference of this committee will include moving from place to place. That is interesting. I think that provision should be there, but I would not be too concerned about the committee moving from place to place. The information required can be obtained right here in the city of Ottawa from the Minister of National Defence and the members of his department, if they want to give it to the committee. I can assure the house that moving from place to place is not too important. The other day the minister mentioned that he had had the opportunity of moving around and visiting military camps. He is not the only one; there are other hon. members in this House of Commons who over the years have had the opportunity to move around. There are quite a few of us. I was one of the fortunate ones to have the experience in 1961 of being a member of the official delegation from this House of Commons and visiting, I think, every Canadian camp in France and Germany and the majority of the official headquarters of the United States.

Mr. Speaker, the Minister of National Defence has time after time called these visits briefings. They are not briefings; they are an attempt at brainwashing. I have visited the majority of our military camps and have attended every so-called briefing, and a briefing is an attempt at brass brainwashing. Not only that, but as the committee moves around on these "briefings" they will encounter the same experience that the Minister of National Defence and myself encountered in the House of Commons committee; that is, evasion and weaseling. I can remember when we were in Soest and Zweibrücken and all through there that if on the briefings we asked a really pertinent question about Canada's role in defence we were told, "Sorry, sir; perhaps you had better ask that question of the next highest echelon", and when we got to the next highest echelon and put the question the answer was, "Sorry, sir; I think perhaps you ought to ask that of SACEUR or the next highest echelon". I followed that through from Soest to Zweibrücken until our five days in Paris at the NATO parliamentary conference, when I had an opportunity to ask the highest echelon, and what was the answer, "Sorry, sir; for security reasons we cannot answer that question".

An hon. Member: What did you ask for, Harold?

Mr. Winch: The problem was that I knew the questions to ask and the things we wanted to know, but they were not prepared to answer. That has been my experience in five years both on the defence committee and in travelling around as a member of the Canadian delegation to the NATO parliamentary conference in Paris and visiting our stations in Germany and France.

The Prime Minister (Mr. Pearson), the Secretary of State for External Affairs (Mr. Martin) and the Minister of National Defence have asked for our co-operation. They will certainly get it. All we ask in return is the co-operation of the Minister of National Defence. All we ask is his confidence. We hope the information we seek can be given in public, but if it cannot, then give it in camera. I can assure the Minister of National Defence that when I was leader of the opposition in British Columbia in the last war and questions were asked of the G.O.C. western command, the premier and myself knew from week to week the inner secrets of western command. That was the only time I think my own colleagues ever hated me, because I would not tell them whereof I knew. We worked that way.

This committee is as far as possible entitled to know the defence policy of Canada and its needs and requirements so that Canada may participate in the best possible way in the maintenance of peace and the maintenance and extension of democratic principles throughout the world. Mr. Speaker, we look forward to the establishment of this committee. We hope that the words we have heard thus far from the Minister of National Defence will be carried into effect and that as far as is humanly, governmentally and politically possible within the ultimate realm of security, he will take this committee into his confidence. We hope that, irrespective of what the committee recommends, it will have the full consideration of his department and of the government.

As I have said, sir, I only want the experience of sitting on this committee and being able to ask questions on government policy in defence matters, but I would like to add only one thing on the question of policy. You will understand, Mr. Speaker, why it came to my mind. Yesterday the Pope died in Rome. There are three days of mourning in Italy and nine days for the five hundred million Catholics throughout the world. Last night the leaders of the world expressed their regrets at his death and said many things about his ideology and his principles. Last night

at eleven o'clock I watched the C.B.C. television news and I heard the words of the Prime Minister (Mr. Pearson) and what he had to say about the late Pope, about his goals and objectives, his principles and his efforts in working for peace. After hearing what the Prime Minister had to say about the late Pope John XXIII I heard what the Leader of the Opposition (Mr. Diefenbaker) had to say about the late Pope and his efforts for peace.

I want to ask the Prime Minister and the Leader of the Opposition whether what they said on television last night does not make them liars so far as defence and foreign policy are concerned in view of the attributes which they applied to the man who died yesterday in Rome. What did that man say which was so highly praised by the Prime Minister and the Leader of the Opposition on the eleven o'clock C.B.C. television news last night? What did the man they were talking about say? Do I need to remind them? The title of the encyclical letter is "Pacem in Terris", papal documents series No. 7,4,1963, item No. 63,8. I read from page 23 of this encyclical letter issued at Rome on April 11, 1963:

> The production of arms is allegedly justified on the grounds that in present day conditions peace cannot be preserved without an equal balance of armaments. And so, if one country increases its armaments, others feel the need to do the same; and if one country is equipped with nuclear weapons, other countries must produce their own, equally destructive.
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> Consequently, people live in constant fear lest the storm that every moment threatens should break upon them with dreadful violence. And with good reason, for the arms of war are ready at hand. Even though it is difficult to believe that anyone would deliberately take the responsibility for the appalling destruction and sorrow that war would bring in its train, it cannot be denied that the conflagration may be set off by some uncontrollable and unexpected chance. And one must bear in mind that, even though the monstrous power of modern weapons acts as a deterrent, it is to be feared that the mere continuance of nuclear tests, undertaken with war in mind, will have fatal consequences for life on the earth.
>
> Justice, then, right reason and humanity urgently demand that the arms race should cease; that the stockpiles which exist in various countries should be reduced equally and simultaneously by the parties concerned; that nuclear weapons should be banned; and that a general agreement should eventually be reached about progressive disarmament and an effective method of control. In the words of Pius XII, our predecessor of happy memory:
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> "The calamity of a world war, with the economic and social ruin and the moral excesses and dissolution that accompany it, must not be permitted to envelop the human race for a third time."

In view of the statement of the Prime Minister on the C.B.C. news last night, the almost adoring attributes he expressed with regard to the works and ideology of Pope John and in view of the similar expressions of the Leader of the Opposition, I can only conclude by saying that I hope this committee on defence will have a clear field to go into all questions of defence with relation to every country in the world in order that we in Canada can make a contribution, as I believe we can, in giving leadership and direction toward the maintenance of world peace.

Hon. D. S. Harkness (Calgary North): Mr. Speaker, I should like to take this first opportunity to congratulate the Speaker on his election to that office and to congratulate you, sir, on your election as Deputy Speaker. Discussion on this motion to set up a defence committee has revealed considerable difference of opinion as to the functions of the committee, how it will be carried on and what it will accomplish. The speeches of the leaders of the Social Credit and New Democratic parties indicated that they look to the committee to be a body to determine defence policy, and I presume that assumption on their part is only natural in view of the demands made by the former leader of the opposition during the past two years and particularly because of the statements he made during the election campaign in connection with this matter.

However, when the Prime Minister (Mr. Pearson) made his opening statement I think he indicated a considerable shift in his position from that which he had taken when he was on this side of the house. He indicated that his interpretation of the terms of reference was that the committee would be able to discuss defence policy and would be able to make recommendations if it so wished but the determination of policy would remain with the government, as indeed I think it must under our system of responsible government. Under these circumstances I doubt very much whether the way in which the committee will carry on and the type of discussion that will take place will be very much different from that which took place in the committees of 1958 and 1960 when there was a great deal of discussion on policy matters although the committees were set up to examine defence expenditures. However, when you are discussing defence expenditures you inevitably get into the field of policy because all such expenditures are related to the types of equipment being secured, what they are going to be used for and things of that kind.

I believe that this committee can serve a useful purpose in informing its members, members of the house and the general public with regard to the organization, equipment and capabilities of our defence forces, the problems in defence and the policies being followed. I hope there will be a good deal of information given and a good deal of discussion on all of those matters.

I do not believe, however, that it can be an effective body so far as policy-making is concerned. One of the basic reasons for this was touched upon by the hon. member for Vancouver East (Mr. Winch) who spoke just a moment ago. He complained that a large number of the questions he asked during his visit to Europe and to other places had not been answered on the grounds of security. In so far as defence is concerned, security requirements, particularly our responsibilities to our allies in NATO in regard to security, make it impossible to put before a committee of this kind all the information on which defence policy is based and must be based.

I have heard it suggested at various times that all information, could be given to a committee of this kind in secret session. However, I must say that experience over the past 18 years has shown me, and I think has shown everyone who has been here for a long time, that such information generally appears in the newspapers within 24 hours after it has been given to the committee. Nobody ever knows how this information leaks out, but it does become part of the public domain. I feel this situation makes it impossible to give a committee of this sort all the security information which would be essential to enable it to act in the way that some members who have already spoken think it should act, that is as a policy-making body.

If the committee is to do successfully the job that it can do, there is one essential requisite and that is that members of the committee approach their task with open minds rather than with a set partisan position and the objective of trying to publicize this position to the greatest extent possible. One of the characteristics of most parliamentary committees is that they are political forums, to some extent, and with subjects such as defence and external affairs, the greater the extent to which the committee is used for these purposes, the less useful work it can accomplish. If the members of the committee approach their work with set ideas and spend all their time trying to elicit facts which they believe will support those ideas, and to discredit facts which they think are contrary to those ideas, I doubt whether the committee will be able to accomplish useful work in the way of enlightening the members and the general public.

During the course of the remarks the minister made when he was speaking in this debate, there was one statement to which I must take objection. He complained that he was unable to get any information about defence when he was in opposition. This statement is demonstrably not true. Every question that the minister asked when he was in opposition, that is written questions, questions on orders of the day or when the estimates of the department were being discussed, was answered. He might not have been satisfied with all the answers. In some cases, the only answer that could be given was that security considerations prevented the question being answered. Nevertheless, he was given all the information it was possible to give him. I can vouch for this fact, so far as I am concerned, and the same thing is true so far as my predecessor was concerned. I take considerable objection to this statement made by the minister last week.

A very large amount of information in regard to defence matters was given to the committees of 1958 and 1960. All anyone has to do in order to determine that fact is to peruse the reports of those committees. He will ascertain that there was discussion of all the weapons which subsequently became the subject of so much general debate and discussion throughout Canada. I must say that I think the difficulty of the minister, when he was in opposition, was that he refused to accept information. In other words, it was a case of the old saw: you can lead a horse to water but you can't make him drink. This was, essentially, the position of the minister. His whole approach, during the time he was in opposition, was to denigrate everything that was done in connection with defence. According to him, no single piece of equipment we secured was right. We should not have had it, we should have obtained something else. Nothing that was done in connection with defence, no policy that was followed, was correct. Something else should have been done. In other words, his whole purpose at that time was not to get information, not to try to see that Canada had the best defence effort possible, but merely to belabour the government for political purposes. I will say that in opposition he was the perfect example of the attitude which would make this committee unworkable or make its work abortive. He was the perfect example of the attitude which I said I hoped would not prevail amongst the members of the committee. I hope that they will approach the task with open minds and be prepared to examine the facts in an impartial manner.

I trust that in so far as this committee is concerned the government will not follow the tactics that they used in connection with the defence committees of 1951, 1952 and 1953. I was a member of those committees. At that time, there was a great mass of detail presented to the committee, largely irrelevant so far as the real issues were concerned. The result was that the committee was bogged down in these details and it was unable to

get around to the consideration of the important matters which it should have been considering. I believe the Liberals of the day thought these tactics were very clever. I trust there will be no repetition of that sort of thing. I mention this particularly because there seemed to be some hint of these tactics in the minister's speech when he talked about the need to put vast amounts of information before the committee, to take trips here and there, and so on. If this is the method followed in carrying out the work of the committee, I can readily see that the committee will degenerate into the same sort of operation that was so unsuccessful in 1951, 1952 and 1953. I hope that will not be done.

A good deal of time has been spent during this debate in a discussion of defence policy. My position in that regard, especially in relation to nuclear weapons, I think is sufficiently well known to the members of this house and to the country generally that I need not take up the time of the house by reviewing it. I would, however, like to say this: During the Conservative period in office we followed a policy of fully supporting NATO, NORAD and the United Nations, and of contributing to them the men and equipment required to meet our fair share of the collective responsibility of maintaining peace and the security of the western world. This involved the acquisition of four weapons systems which are effective only when they are armed with nuclear warheads. The final step of securing these warheads was the one step which was not taken at that time.

At the present time, the Liberals have adopted this policy in its entirety, so far as one can see. I believe that they should be honest and say that they have adopted the Conservative defence policies of the last five years instead of trying to pin their position to the narrow ground of merely living up to commitments made by the previous government.

The result of the government's failure to state frankly it now believes the Conservative government's policy was a wise one is further confusion, and we have the Gilbert and Sullivan, or perhaps Alice in Wonderland situation, of Liberal spokesmen defending the Conservative policy of the past five years, and some Conservative spokesmen attacking it. I trust one of the things this committee may be able to do is clear up the general confusion in regard to defence policy, and where the various parties stand on that very important matter.

Mr. Hellyer: Will the hon. gentleman permit a question?

Mr. Harkness: Certainly.

Mr. Hellyer: In his opinion was the previous government committed to the acquisition of nuclear warheads for use in some of the weapons systems it had acquired?

Mr. Harkness: Well, Mr. Speaker, I think that the acquisition of these four weapons systems indicated an intention on the part of the government to supply them the ammunition which would make them effective.

Mr. F. J. Bigg (Athabasca): Mr. Speaker, this is not the first time I have stood up in this house and spoken on defence, and in order that the gentlemen of the fourth estate may not be misled any further I would like to make my own personal position clear. It was stated in the Montreal *Gazette* of May 24 that I supported the N.D.P. motion. The N.D.P. motion, on the face of it, was to the effect that we should not have nuclear arms in Canada. That is not why I supported it. The reason was because it was interpreted by our side that the Liberal party purported to complete an agreement with the United States with regard to acquiring nuclear warheads for Canadian forces, and on Canadian soil, without full consultation with parliament. That was the reason why I voted in favour of the N.D.P. motion, as a vote of censure.

I want to make sure that Canadian sovereignty is secured in any agreement we make with any country. Personally I am against nuclear war, like everybody else within earshot of me and like everyone else in the world. But, Mr. Speaker, we live in the twentieth century. We live in the era of nuclear warheads, and I fully believe that only the deterrent power of the United States has prevented Russia from imposing her will on the western world. This is not to say I am willing to accept nuclear arms and nuclear warheads holus-bolus, on Canadian soil.

I made my position clear on September 12, 1961, when I spoke on this question in the house, and I will not bore you by repeating it. On May 23 this year I reiterated my stand. Briefly, what I am asking is that we take the full moral commitment of supporting our United States allies. Then, if we take that full moral commitment, the question of the distribution of weapons is only incidental.

I am ready to put my life and my talents, such as they are, at the disposal of the western world under the leadership of the United States in the military sphere, but if I make such a commitment I would like a reciprocal commitment on the part of my United States allies to always recognize Canada as a sovereign nation. The fact that they are larger than we makes no difference. If we had a population of 185 million people

would the United States expect to locate atomic weapons on our soil without a proper two way commitment?

We should face the moral issue properly and decide we are with the United States in resisting communist aggression on this planet. Once we decide to do that, the details are not very important, and we should stop playing politics on this point on both sides of the border.

If the government through this committee, is going to show the Canadian people what our attitude is to joint defence then we will get somewhere, but if this committee is just going to be a way of passing the buck, and smothering us with a lot of straw and no wheat, then I would be opposed to establishing a committee because it will have a bad effect on public opinion and on our position in the eyes of the whole world. However, if the committee achieves this, then I would like to be on the committee and discuss the matter fully with hon. members of the Liberal party.

It is not the responsibility of the opposition to set government policy. As I see it, we have just had an election on this very issue. We were turned out of office because it was said in the press, on the radio and television, that we did not have the courage to determine a policy and negotiate a working agreement with our allies. That, Mr. Speaker, is not so. I have just heard the former minister of national defence say he had this clearcut policy, but never in public or private did he say he was dickering with the Americans for a policy that was acceptable. There may be reasons for this, and I think he gave one in the Calgary *Herald*, some 18 months ago.

I hold in my hand a paper put out by the Calgary *Herald* which, on the last page, states that the former minister commended a series of articles on defence published in the *Herald* and suggested that they should be given the widest possible circulation. The punch line in this paper can be summed up in one short paragraph:

> On the other hand, all the nuclear weapons are in American hands, and American law requires that they be used only upon order of the United States government.

This is not a bilateral affair; it is only on the order of the United States government that they can be used. The paragraph continues:

> There are tricky questions of sovereignty to be decided here, and they can probably be decided only by agreement (secret if necessary) between the Prime Minister of Canada and the President of the United States.

How can a committee discuss what can only be discussed between the President of the United States and the Prime Minister of Canada? I have to put my faith somewhere. I put it squarely in our democratic way of solving the question. Having pooled our resources and opinions and having picked out the best man we can find by public consent, now I am willing to put this responsibility for a secret agreement—and I think a secret agreement is necessary—fully upon the shoulders of the Prime Minister of this country. Let him work out the secret agreement. Let him come up with the decisive action for which the Canadian public is looking. Let us have no more talk about committees or the joint action of four parties. Frankly I do not trust the joint action of four parties.

Mr. Speaker: I am sorry to interrupt the hon. member. It being five o'clock the house will now proceed to the consideration of private members' business.

(Translation):

REPRESENTATION ACT

AMENDMENT TO CHANGE NAME OF ELECTORAL DISTRICT

Mr. L. P. Antoine Belanger (Charlevoix) moved the second reading of Bill No. C-3, to amend the Representation Act.

He said: Mr. Speaker, since this is my first opportunity to speak in this house during the present session, I should like to extend to you, as many of those who have spoken before me have done, my warmest congratulations on your appointment to the office you have been holding with such dignity since the beginning of the session.

I do not intend to deal at length with this bill because the few words of text provide practically all the required information.

At this stage, I do not have to give you an historical account of the constituency of Charlevoix. If I considered introducing this measure, it is because many constituents of Montmorency county whose name does not appear in the riding to which they belong have asked me to do so.

In fact, this federal constituency was formerly called Charlevoix-Saguenay. At the last redistribution, the county of Saguenay was removed from the constituency of Charlevoix, but the county of Montmorency stayed in. Geographically, three quarters of the county of Montmorency belongs to the riding of Charlevoix, and at least one third of the voters of this constituency are from the county of Montmorency. The fact that the name of Montmorency does not appear in the name of the federal constituency is sometimes confusing for certain people of Montmorency who

do not know what constituency they belong to. That is the reason why I moved this bill so as the name of Charlevoix constituency be changed to Charlevoix-Montmorency.

Mr. Jean Berger (Montmagny-L'Islet): Mr. Speaker, as to Bill C-3 the purpose of which is to change the name of the district of Charlevoix to that of Charlevoix-Montmorency, as it has been announced, may I be permitted to put forward my personal opinion on that question; and I have no doubt that a good number of residents in my native riding of Quebec-Montmorency have the same opinion. However, as it is the first time that I have the honour to speak to this distinguished audience, I should like first to extend my congratulations to you, Mr. Speaker, for the efficient and wonderful way in which you discharge your important duties.

(Text):

Mr. Speaker, in order, also, to pay a tribute to your very practical bilingualism which will surely facilitate our mutual understanding in this distinguished chamber, an understanding which is so dear to the leaders of the present government and to their colleagues, allow me to extend to you my warmest congratulations upon your welcome nomination to this most important post in our country's administration, as many other hon. members have done before me.

To come back, now, to the second reading of Bill C-3, an act to amend the Representation Act regarding the electoral district of Charlevoix, may I continue in French, my native tongue, which is naturally much more familiar to me?

(Translation):

I will admit, Mr. Speaker, that at first the principle of this bill seemed to me good and even desirable. However, after having given the matter some thought, I now wonder if this change would not lead to some confusion, as we already have the well-known constituency of Quebec-Montmorency.

I wish to state here that I always had a soft spot for Montmorency, as I was born in Ville Montmorency, and I return there regularly to visit my numerous relations. My ancestors came from Baie St. Paul, in Charlevoix county, while by a remarkable coincidence, the hon. member for that constituency was born in Montmagny-L'Islet, which I have the honour to represent in this house. That being so, I sincerely hope that my hon. friend will understand and forgive if I take a special interest in his bill.

I would remind you, Mr. Speaker, that, as you probably already know, it is not the first time that Charlevoix's designation has been changed. The hon. member said so himself a moment ago. Our distinguished fellow member for Northumberland (Miss Jewett) will perhaps be surprised to know that what is now the county of Charlevoix was, at first, part of the county of Northumberland, when it was created in 1792.

In 1829, Northumberland was divided in two counties, Montmorency and Saguenay, the latter's limits comprising what is now the county of Charlevoix, which is the subject matter of this debate.

In 1858, the eastern part of the county of Saguenay became a separate county and was called Charlevoix, after Pierre Francois Xavier Charlevoix, a Jesuit father who wrote a history of New France which was published in Paris in 1744 and was a great success.

On the other hand, Mr. Speaker, I am now thinking of my fellow members who are dedicated fishermen even if they would rather stress the social angle—I am happy to point out that this mountainous county with many picturesque sites, where three rivers flow into the St. Lawrence, is a paradise for fishermen. I might mention the Gouffre river, at Baie St. Paul, the Malbaie, at La Malbaie, and the Noire river, at St. Siméon, where the catch can be marvellous.

But to go on with my remarks, history tells us that like an easily comforted widower, Charlevoix was unable to live alone. That is how it came about that, in 1917, it was united with the county of Montmorency and, in 1926, with the county of Saguenay. I do not know exactly if this was due to household or other troubles, but those unions were not lasting ones. There was a divorce, or rather a separation because of an ever increasing family—which would be more acceptable— and Charlevoix again for the last few years has been on its own and apparently finds this rather tedious.

I therefore can very well understand, as you probably can, Mr. Speaker, why the present incumbent of this county is so gentle, to whom his voters apparently complained about this widowhood which I shall call "districo-electoral". For, Mr. Speaker, you know that Charlevoix still has all its charm and is a very acceptable match for Montmorency, as suggested by the hon. member. You just have to refer to the book *Dans nos montagnes* by Rev. Lionel Boivin, priest of the Assumption parish at Les Eboulements.

Charlevoix has various parishes which were established under the French rule, and all are situated on the northern shore of the St. Lawrence—I might, among others, mention St. Pierre and St. Paul of Baie St. Paul. Those who have been listening to the radio and television programs—I have devoted 13 or 14 years of my life to that field—will recall a very popular person on the radio, Mr. Albert Duquesne, called Alexis, who came from Baie St. Paul. There are also the parishes of St. Francois, Petite-Rivière, Château-Richer, Ste Anne de Beaupré and St. Joachim, founded in 1722.

That is interesting history.

On the Montmorency side, we might perhaps recall that since the redistribution in 1924, the former Quebec county has become Quebec-Montmorency, as it is known today.

That is another excellent match. It is named after the Montmorency falls, so called by Champlain in 1630—this is going back quite a bit—to honour the duke of Montmorency, third viceroy of New France. Those falls are 240 feet high, which is 75 feet higher than Niagara falls, and I do not say this to spite our colleagues from Ontario. Mr. Speaker, the mention of the height of the Montmorency falls may explain why we perhaps look down on such a proposal. But we find some gentility in the name of Montmorency, which reminds us of Anne de Montmorency, high constable of France, Henry I, duke of Montmorency and marshal of France, the also quite illustrious François-Xavier de Montmorency-Laval, the first bishop of Quebec who left his name to an institution of high learning, the Laval University of Quebec city, which I am proud to have attended during my youth.

We could also mention several other names, the Montmorency river which had some importance in politics or international politics since the Montmorency river, as you undoubtedly know, has its source in lake des Neiges, a wonderful place in the national park where prominent people made a fishing trip during an important conference held in Quebec city—if my memory does not fail me—at the Chateau Frontenac where the President of the United States, the Prime Minister of the United Kingdom, a late prime minister of Canada, and representatives from Russia met and made quite a fishing trip to lake des Neiges.

Therefore, as you see, a lot can be said on the merits and charms of Montmorency.

[Mr. Berger.]

We do not necessarily see an improper alliance in this case, Mr. Speaker, but, as you undoubtedly know, it is when the bans are published that those who know of some reasons why such marriage should not be made are called upon to come forward as soon as possible. That is why I made those remarks.

To conclude, I wish to point out a serious objection in addition to the multiplicity of the name of Montmorency used for other ridings, it is that this union seems to be between next of kins and I would be most concerned over the brood born from such a union.

Moreover, to get back to serious things, as the government has the intention to introduce soon a measure concerning a redistribution of our ridings through a special committee that will be instituted for that purpose, I think it would be premature to comply with the request of the hon. member for Charlevoix because, in my opinion, that would not settle in a concrete way the problem which we face at the present time in that field.

That is why I object to this bill; besides, I am sure that the study which will be made through the proposed redistribution would serve to dot the I's and cross the T's; this would be better than putting in commas that might put us in an unfortunate situation.

It only remains for me to thank you, Mr. Speaker, for listening to me so patiently and I hope that my next contribution will be of interest to all the members of this house.

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, as the member for the constituency having Montmorency in its name, I should like to say a few words. Not that I am opposed to the bill of the hon. member for Charlevoix (Mr. Belanger), but it seems to me that the voters of Quebec-Montmorency would be opposed to the amalgamation of two parts of different counties. It is obvious that, from a geographical point of view, many parishes and municipalities which belong to the federal constituency of Charlevoix, are included in the provincial county of Montmorency.

In my opinion, that would be a dangerous precedent to accept that municipalities belonging to a provincial county could be designated under the same name for federal purposes.

For instance, I do not see the county of Quebec South being named Quebec South West, and the county of Quebec West being named Quebec West St. Sauveur, because some parishes of a federal constituency belong to another county for provincial purposes.

It would certainly be a prejudice to some people who are in the habit of abbreviating riding names.

Some people who live in the St. Maurice-Lafleche riding say that they live in the St. Maurice riding. Others call it the Lafleche riding. If people in our two adjacent ridings decided to call each riding the Montmorency county it would bring more confusion into the matter instead of more clarity in the use of riding names, due to the names given for various reasons, as was mentioned by the hon. member for Montmagny-L'Islet (Mr. Berger), to some cities like the city of Montmorency which is in fact in the Quebec-Montmorency riding. I wonder what those people would think if the name of their city was also used in another riding.

I also understand very well the electors of the Montmorency provincial riding when they consider they are a little far away keeping in mind the fact that they belong to the Charlevoix riding.

But I imagine that the former hon. member for Charlevoix riding and former minister of lands and forests in the defeated government, being himself mayor of a community in the Charlevoix riding, would surely have been opposed to the name of Montmorency for his riding because his own people, in his own community, would have thought he was the member for another riding.

Of course, that is a rather difficult situation, whether it be accepted or not. It is somewhat like nuclear arms. However, I think we must go on past experience and especially on the reasons which favoured a particular name for a particular riding.

As the hon. member for Montmagny-L'Islet suggested a while ago, it is quite possible that in the near future, we will have a redistribution which should provide a better identification for the Charlevoix riding.

It is quite likely that some municipalities now found in the county of Charlevoix would again find themselves in the Quebec-Montmorency county and that some municipalities now found in Quebec-Montmorency would find themselves in other Quebec counties, such as Quebec South or Quebec West. At the same time, it is quite possible that the Quebec-Montmorency county would simply become the county of Montmorency.

That is why, Mr. Speaker, I think that, despite the good intentions of the hon. member for Charlevoix, we should not set a precedent in this house before getting the advice of the commission which will be established to study the redistribution of electoral districts and perhaps also the advice of the persons directly concerned if the two names are joined together.

Mr. Speaker, I do not wish to take any more time in this debate, but, as member for Quebec-Montmorency and having been elected in the constituency which, why, I do not know, bears those two names, I could even say that it would be in order for me to ask that the word "Quebec" be changed, for there is no part of the city of Quebec in the riding of Quebec-Montmorency. However, in view of the history and the geographical delimitation of our riding—I imagine that the name "Quebec" indicates that the riding goes all around the provincial capital—I feel that the present designation should be kept and that there would be no point in adding the word "Montmorency" to the name of the riding of Charlevoix.

That is why, in spite of the sympathy I have for the mayor of the municipality of Beaupre and for the member for Charlevoix, I would ask the house to vote against the addition of the word "Montmorency". If the reasons I am giving now and those which will be expressed a little later on seem reasonable to the hon. member for Charlevoix, I would ask him to agree to the withdrawal of his bill.

Mr. Pigeon: Mr. Speaker, I should like to direct a question to the hon. member for Quebec-Montmorency. Would he agree to having the bill amended so as to have the words "Beaupré-Charlevoix", for instance, substituted for the words "Charlevoix-Montmorency" to emphasize the presence in the riding of a sanctuary of world-wide reputation?

Mr. Marcoux: Personally, I would be in favour of any new designation providing it does not include the word "Montmorency". The riding could be called "Charlevoix-St. Ann", "Charlevoix-Beaupré" or "Charlevoix-St. Anne de Beaupré". I have no objection at all and if it suits the hon. member, the riding could be called "Charlevoix-Beauport" since the city of Beauport is situated in Quebec-Montmorency, besides being my hometown. That would underline the importance of the municipality. However, I feel it is my duty to object to the use of the word "Montmorency".

Mr. Jean Chretien (St. Maurice-Lafleche): Mr. Speaker, I must also object, of course, to changing the name of the constituency of Charlevoix to that of Charlevoix-Montmorency.

Two hon. members have already set forth convincing arguments in order to show that the passage of this legislation would cause confusion among the people of Quebec-Montmorency. It is obvious that those are two neighbouring ridings which also cover a provincial electoral district.

I feel that we should wait before deciding anything concerning the names of constituencies. I mean by that that we should wait until the redistribution of ridings is completed, because at that time the Montmorency section may no longer form part of Charlevoix county and electors might be sought elsewhere to increase that riding.

Moreover, Mr. Speaker, I think that the argument put forward by the hon. member for Charlevoix to the effect that a third of his electors are in Montmorency county, applies just as well in my case.

A third of my constituents of the St. Maurice-Lafleche riding are actually in the provincial riding of Laviolette and the two thirds in the provincial riding of St. Maurice.

If we trace the origin of the name of my riding, one finds that the name of St. Maurice was given because the riding is crossed by the St. Maurice river and also because it includes the provincial constituency of St. Maurice. As for the second part of this name, Mr. Speaker, it has been given in commemoration of Monseigneur Lafleche. But as this riding, which was established in 1935, has never elected a Conservative member, I believe that my constituents would be justified in requesting the removal of the name of Lafleche as Monseigneur Lafleche, who was quite well known in the region, had at least some ideas somewhat incompatible with those of the party of which I am a supporter. Therefore, it would be advisable to strike out his name from that of the riding that I represent.

Mr. Belanger: Mr. Speaker, we are talking of the constituency of Charlevoix-Montmorency, not of the constituency of St. Maurice-Lafleche. Consequently, I should ask the hon. member to return to the bill under consideration.

Mr. Chretien: Mr. Speaker, on the point of order, I am of the opinion that we should be allowed to discuss this matter. There has to be serious reasons to change the name of a constituency. If we have to cater to the whims of the voters, I should ask that the name of Lafleche be struck out, because it does not meet with the views of many of the voters of my riding. But the name of a constituency, let alone that of a member, should not be changed simply because the voters have expressed this view.

(Text):

Some hon. Members: Question.

The Acting Speaker (Mr. Batten): Order. I think the hon. member was just making a comparison, and I would hope he can continue.

(Translation):

Mr. Chretien: Mr. Speaker, sound reasons are needed to justify such action. Some of my constituents pointed out that between 1935 and 1963, we were in the Liberal camp, with two exceptions when no Conservative candidates had been nominated. Monseigneur Lafleche, one of the most prominent persons in that region, had his name linked with the constituency, and this is indeed a great honour. Even if Monseigneur Lafleche, whose name is linked with the county, did not share my ideas he was a man who left his imprint on Canada's history though he did not share in the political philosophy of Sir Wilfrid Laurier, that great leader; but we still can have his name in the constituency I represent in the house.

It would be wrong for me to ask for his name to be erased, simply in order to gratify the whims of a few of my constituents.

The county of St. Maurice-Lafleche which has chosen me to represent it in the house and which is Liberal, has a historical name, and I would like to read to the house a document I found—

Mr. Pigeon: Mr. Speaker, I rise on a point of order. I do not know what bill is being studied at the moment. Does the hon. member want to change the name of the constituency, or are we supposed to be studying the bill submitted by the hon. member for Charlevoix?

(Text):

The Acting Speaker (Mr. Batten): Order. I think the hon. member's point of order is well taken. The hon. member for St. Maurice-Lafleche (Mr. Chretien) has, I think, carried his comparison far enough and I would hope he would now get back to the bill before the house.

(Translation):

Mr. Chretien: I believe that I am not straying too far away. I have serious reasons to explain why I would ask a change in the name of my constituency; however, it is better to await the redistribution of seats. A commission is supposed to be set up to deal fairly with everyone. In my opinion redistribution is required and when this commission on redistribution of constituencies is

created, we will have at that time to make it responsible to give adequate names to those constituencies we represent.

Very often, when addressing a member, for instance the hon. member for Berthier-Maskinonge-Delanaudiere, etc. etc., (Mr. Paul) the name of his riding is made up of seven or eight names which we are never able to remember. Mr. Speaker, if only the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) etc.,—we never know whether he is member for Joliette, L'Assomption or Montcalm—

Mr. Pigeon: On a point of privilege, Mr. Speaker, I would not want the hon. member to strike out any of the three nice names of the constituency I represent because the people in my riding would be most vexed about that. I would ask the hon. member not to antagonize in any way the people of the riding I have the honour of representing in this House of Commons.

Mr. Chretien: This was simply an opinion and I intend to keep on expressing my views.

In the riding of St. Maurice-Lafleche, I submit that we have an historical and partisan reason to have the name of Lafleche together with St. Maurice, but it is not enough and I believe that the commission which will be set up to examine the matter shall see to it that the names of constituencies are not overly long.

I suggest this is a most serious matter. I feel that in the provincial riding of Montmorency, the name of Montmorency has been given to the member for Quebec-Montmorency. Why then should we also have to put the name of Montmorency in the riding of Charlevoix? Is this only a whim? Because a person lives in the provincial riding of Montmorency is no reason why we should say Charlevoix-Montmorency because there are some persons from Montmorency included in the federal constituency of Quebec South.

I think this is a very serious discussion and I should be allowed to come back to this historical article I wanted to discuss a while ago to the effect that Monseigneur Lafleche did not agree with Sir Wilfrid Laurier's opinions. Indeed, those are historical pages.

Mr. Belanger: I rise on a point of order, Mr. Speaker. The hon. member is not discussing the bill before the house to change the name of the Charlevoix electoral district to that of Charlevoix-Montmorency.

Mr. Chretien: Mr. Speaker, I shall take only a few minutes to read that document to prove that I could have ideological reasons to ask that the name of my riding be changed, but I do not do so because I would then be yielding to some of my electors' whims.

Mr. Pigeon: Mr. Speaker, the hon. member is not abiding by your rulings.

(Text):

The Acting Speaker (Mr. Batten): Order. I think I would have to listen to the hon. member to find out what he is going to read before I would know whether he is out of order.

(Translation):

Mr. Chretien: It is a page of history taken from a book entitled "Toward the Abyss" in which is reported a letter written by Sir Wilfrid Laurier. I quote from that book:

> The bishops do great harm to our cause. If we could have a Liberal bishop, our triumph would be a sure thing.

This is why I say that. At that time, people in the province of Quebec were fighting for political philosophy, to put forward progressive policies as the Liberal party always did for a century.

An hon. Member: Order.

Mr. Chretien: Of course, objections were met—

Mr. Belanger: The hon. member is not discussing at all the bill before the house. He is talking about Monseigneur Lafleche. He was not known in Charlevoix county. I should like him to discuss the bill now before the house.

(Text):

The Acting Speaker (Mr. Batten): Order. I must remind the hon. member for St. Maurice-Lafleche of the bill which is now before the house.

(Translation):

Mr. Chretien: Then, Mr. Speaker, I think that we should wait until the redistribution is over before giving precise terms of reference to those who are responsible for that redistribution, to give us appropriate names in order to avoid any confusion in the names of the counties. I object to the fact that the name of Montmorency is being connected with two or three other counties in order simply to satisfy the whims of some voters. In St. Maurice-Lafleche a third of the voters live in the county of Laviolette; however, I do not think that it is sufficient reason to change the name of my county.

That is the reason why I object to that bill, under which the name of Charlevoix would be changed to that of Charlevoix-Montmorency because the name of Montmorency is already connected with the name of Quebec-Montmorency. This would add to the

existing confusion instead of helping people and it would also be a nuisance for the members of the house when they want to find out who is the member for Montmorency because they would have to ask themselves "what Montmorency".

This is why, Mr. Speaker, I am of the opinion that Charlevoix is an historical name in the province of Quebec and that it should remain unchanged in order to represent that riding. It is also possible that the provincial riding of Montmorency will no longer be a part of the federal constituency of Charlevoix, as a result of the redistribution of electoral constituencies, provincial as well as federal; those problems will be settled when the commissions, provincial as well as federal, have redistributed the electoral districts.

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, is it permitted to speak English in the present debate?

(Text):

I understand, Mr. Speaker, that some of the objections raised to this bill, which seeks a change of name of a constituency, have been to the effect that there is already a riding with the name of Montmorency, namely, Quebec-Montmorency. This should not be any great problem. There are three ridings with the name Richmond, Burnaby-Richmond, Richmond-Wolfe and Inverness-Richmond.

I think it has been the tradition in the past that if a member wants the name of his riding changed this is accepted, and I am rather sorry to see the Liberal whips running around lining up people to talk out the bill.

The Acting Speaker (Mr. Batten): Order. I feel that the hon. member is now imputing motives and possibly I should advise him to come back to the bill.

Mr. Prittie: There is really not much more to say about the bill. The member has asked for this change, some of the people in his riding want it and I think we should grant him the name he desires. That is all I wish to say except that I am sorry to see the efforts being made on the other side.

(Translation):

Mr. Jean-Louis Frenette (Portneuf): Mr. Speaker, since I seconded the motion for second reading of the bill, I feel that I should reply to those who have spoken against it.

At least ten electoral ridings are designated in a manner similar to that which is proposed in this legislation. In fact, every time we wish to speak of a member from a riding situated in the city of Montreal, we have to add the name of his constituency, for instance, Montreal-St. Ann, Montreal-St. Henry, etc.

In fact, I noticed that several ridings outside of Montreal are designated by a double name such as the one which the hon. member for Charlevoix (Mr. Belanger) proposes to the house in this bill, namely "Charlevoix-Montmorency".

My friend is just trying to satisfy his constituents and I feel that he is right in doing so since the first duty of a member of parliament is obviously to speak on behalf of the people he represents. I fail to see how other members can cast a reflection on the hon. member for Charlevoix precisely because he is looking after the interests of his constituents.

I appreciated greatly the fine and witty speech made by the member for Montmagny-L'Islet (Mr. Berger). We were pleased to hear the argument which he put forward against the bill. It is obvious that he has not forgotten the role he played for several years on the radio. I congratulate him for being such an outstanding comedian.

The hon. member for St. Maurice-Lafleche (Mr. Chretien) went to great pains to try to talk out the bill, but it is obvious that he will not get anywhere. However, he is most persistent and consistent when he speaks of his riding.

The hon. member for Montmorency (Mr. Marcoux) is also against this bill which tends to change the designation of the riding of Charlevoix to that of Charlevoix-Saguenay.

He reminded us of the immediate predecessor of the present member for Charlevoix who, according to my information, once introduced a bill to have the word "Montmorency" added to that of "Charlevoix".

I think that the main argument in all this discussion which, after all, does not deserve to be called a debate, is simply that the hon. member for Charlevoix is speaking on behalf of his voters who want their federal constituency to bear the name of Charlevoix-Montmorency.

In consequence, I want vigorously to support the effort of the hon. member who introduced this bill which I would like to see passed by the house.

Mr. Berger: Mr. Speaker, on a question of privilege. The hon. member for Portneuf (Mr. Frenette), mentioned just now my former association with radio and television work.

I must say that I was very proud of my name as a comedian at the time, because that was my profession. However, since I entered politics, I had to quit my activities as a comedian to become something more serious, and I do not think I can be blamed for doing so, because I thought that people were more serious-minded in the house, where we are supposed to discuss grave matters, and I wonder whether I could not ask the hon. member to withdraw the qualification of comedian he used when speaking of me, more particularly when we are trying to do some serious work.

When I want to become a comedian again, I shall know what to do, without seeking the advice of the hon. member for Portneuf (Mr. Frenette).

Mr. Frenette: Mr. Speaker, I do not think that I cast any reflection on the hon. member for Montmagny-l'Islet for having been a comedian. Indeed, I was very pleased to say that we enjoyed the way in which he put forward his arguments against the bill before us. I obviously hold no grudge against him for having resorted to his talents as a comedian. On the contrary. I would like to be able to do so myself. But if he says that I have offended or shocked him, I do not think I have. Anyhow, I had no intention of offending him when I said that he was a good comedian.

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I wish to join with those who have spoken before me on this subject. On the other hand, I must say I am rather embarrassed, as far as the Quebec area is concerned. In fact, I live in the Quebec-Montmorency district and my member of parliament is none other than the hon. member for Quebec-Montmorency (Mr. Marcoux). Moreover, I am the member for the Quebec South riding which was mentioned a moment ago.

Mr. Speaker, towards the end of a sitting that looked much like the one we are having tonight, I heard an hon. member say the following words: "Always the same old contraption". That undoubtedly proves that the committee which will be set up to examine the reform of the house will have to seek means of changing the parliamentary procedure in such a way that the members are not compelled to waste their time.

I believe that, in principle, matters of legislation are the responsibility of the government. As regards the bill now before us, since the speech from the throne provides for the establishment of a commission to study the redistribution of electoral districts, that is the revision of the Representation Act, I am of the opinion that bills which run counter to measures already advocated in the speech from the throne are surely premature. Questions are raised there that will be studied anew by the commission to be established and whose duties, among others, will involve the redistribution of electoral districts in the province of Quebec.

To my way of thinking, that is reason enough to reject measures such as the one now before us, because the matter concerns but one constituency and not all the country's electoral districts.

Mr. Chairman, it is rather strange to see the results sometimes brought about by changes in the names of certain districts. I do not doubt the good intentions of the hon. member for Charlevoix (Mr. Belanger); indeed, as he said himself, one quarter of the population of the federal riding of Charlevoix live within the boundaries of the provincial constituency of Montmorency and three quarters in the constituency of Charlevoix.

On the other hand, the hon. member for Quebec-Montmorency told us that three quarters of Montmorency riding, which are located in my constituency, should be called Montmorency. I must say that I agree in principle with the single name for a single constituency.

The name of Charlevoix is a very nice name with its history, as it has been said so eloquently a few moments ago.

The name of Montmorency is also an historical name; it has also a beautiful history attached to it that would deserve a constituency all to itself.

Sometimes it may be just a whim to ask for a change of name. This afternoon, I had the time to make a quick list of the names which have been changed in various ridings since the last redistribution of seats, which dates back to 1952.

If we consider chapter 48 of the Revised Statutes of Canada, we note that the lawmakers passed legislation of a general nature when proceeding with the 1952 redistribution. If we go back farther than 1958, we note that in 1953 and 1954, as evidenced by chapter 32, they had to give a double-barrelled name to ridings.

At this time, I think of the Speaker of this house and of the second assistant Clerk who have to recognize the members not only by name but also by the name of their ridings, which is an enormous task.

To show what I mean, I will give the case of the riding of Swift Current, which became the riding of Swift Current-Maple Creek. I seriously wonder where such definitions have led us. If you refer to chapter 5 of the statutes of 1955, you will find that there is also a third name, as was said before.

The hon. member for Charlevoix may have learned, at the same time, that the riding of Northumberland once was part of the riding of Charlevoix and that, following a change of name in 1955, it became known as the riding of Northumberland-Miramichi. At that time an effort was obviously made to pay tribute to the local Indians, but I think that a triple name is already much too long, if one really wants to speed up the business of the house.

Finally, going back to 1959, we notice another change. This concerns chapter 16 of the Statutes of Canada relating to the riding of Temiscouata. That is an example of a change which is hard to justify. The name was normal. With a little imagination, it might be possible to restore the original name. It was changed from Temiscouata to Riviere du Loup-Temiscouata. Evidently, you know that at the time of its simple designation, that riding was highly represented by the hon. Senator Jean François Pouliot to whom I now wish to pay a tribute.

The present member for Riviere du Loup-Temiscouata (Mr. Gendron) will undoubtedly be able to speak about his riding. I sincerely believe that it might be advisable, when redistribution is examined, to give that riding one name only in order to expedite the business of the house.

If we go back to 1961, we notice another change. I refer to chapter 25 of the Statutes of Canada. There is the riding of Humboldt-Melfort, to which it was decided to add a third name. In fact, today it is Humboldt-Melfort-Tisdale.

Mr. Pigeon: Mr. Speaker, I rise on a point of order. The hon. member can take the liberty of explaining the history of the Charlevoix constituency, but to switch from one riding in the west to one in the maritimes and to go from one coast to the other is a departure from the bill under study. I understand that the hon. member is very interesting. He has done a lot of research which he could save for another occasion, namely a meeting of the St. Jean Baptiste society in his constituency. But in my opinion, he should deal with the bill under study, which concerns the Charlevoix riding, and not talk about the western constituencies.

[Mr. Cantin.]

Mr. Habel: On that point of order, Mr. Speaker, I think it would be in the interest of the hon. member for Joliette, etc., to listen carefully to the thorough study being made by the hon. member who has the floor. It would be much better for him and he should remain seated so as to learn something.

Mr. Pigeon: On the same point of order, Mr. Speaker, I may say that the hon. member has been sitting in this house for many years. I do not question the value of the statement being made by the hon. member, but I think it is not appropriate, that it does not concern the bill presently under consideration. We have to adhere to the standing orders. The member is talking of a western constituency which I think is located pretty far away from a county of the province of Quebec.

Mr. Cantin: Mr. Speaker, on the same point of order, I think there is a question of principle involved when the members ask for some changes. In my opinion, it is necessary to give examples, and I think it is quite relevant to read what was done before and to give some examples of name changes that were requested by some members in the past. Otherwise, this might lead to any exaggeration. It is true that sometimes improvements were achieved.

(Text):

The Acting Speaker (Mr. Batten): Order. I think the hon. member for Quebec South (Mr. Cantin) is trying to use some examples of where names have been changed. I do not think he is quite out of order at the moment, but I would hope he would continue with the bill now before the house.

(Translation):

Mr. Pigeon: I respect your decision, but I wish to say that you are showing generosity towards the hon. member.

Mr. Cantin: So, Mr. Speaker, I will give you another example. It deals with chapter 28, 1962. The name of Nanaimo has been changed into Nanaimo-Cowichan-The Islands. Here again, we have a longer name and it results in a waste of time.

But, may I be allowed to give you another example where, I believe, there has been some improvement? In 1962 under chapter 17, the name of the Northwest Territories was changed into that of Mackenzie River. Here, I believe, that as far as the geographic position is concerned, the name really indicates the territory in question and it is all for the better.

Then, as I pointed out a moment ago, I am not, theoretically speaking, against changes in names. But I think there is a proper way of doing it, for instance through a committee that would be set up with this end in view. In such a committee, the hon. members would be able to take turns giving their own version. Thus, Mr. Speaker, we should help to speed up the business of the house rather than delay it.

Mr. Prosper Boulanger (Mercier): Mr. Speaker, I am surprised to see that this bill is submitted to the house by my hon. friend from Charlevoix (Mr. Belanger). May I point out that our surnames should not be mixed up: I am Boulanger, he is Belanger. We often get each other's mail. I sincerely hope that my secrets are safe with him.

Though I have only a few minutes I will have time to state emphatically that I share in the feelings of my colleagues who have found strong reasons for disapproving the bill submitted by the hon. member for Charlevoix. I could point out to him that there are 120,000 voters in my county, that it is the second largest in Canada, coming immediately behind York-Scarborough, that it has changed its name to Montreal-Mercier and also that it is called sometimes federal Montreal-Mercier, sometimes provincial Montreal-Mercier. And now there is a new ward represented in Montreal city hall and it is called municipal Montreal-Mercier. It would be odd if we changed the constituency's name to comply with an hon. member's whim.

I wonder if my hon. friend truly feels that this request reflects the opinion of the Charlevoix constituents.

I have listened to what the hon. member had to say, and I find that he said nothing, that he did not even attempt to prove that he was speaking in the name of his constituents, of the citizens of his county, in submitting this amendment to the house.

I wonder whether I would be violating the rules of the house if I said that I am beginning to doubt or rather to ask myself if it is not a whim on the part of my colleague rather than a request from his constituents.

Mr. Belanger: I rise on a point of order. I feel that the hon. member for Mercier has no right to impute motives to me following my remarks. In fact, I did say that it was following the representations of my constituents that I introduced this bill; the hon. member has to accept my word on the matter.

Mr. Boulanger: Do you think there is really a point of order, Mr. Speaker? I would be grateful if you would settle the matter.

(Text):

The Acting Speaker (Mr. Batten): Order. The hon. member has made his explanation and the hon. member for Mercier (Mr. Boulanger) will have to accept that explanation.

(Translation):

Mr. Boulanger: Mr. Speaker, let us say that I did not ask the question, but that I was simply expressing my doubts that the bill was introduced because of a whim of the hon. member rather than at the request of his constituents.

Anyhow, I feel that his request is premature. It must be realized, first of all, that the chief electoral officer of Canada, Mr. Castonguay, as the hon. member should know, is on a trip to Australia at present, before starting on a redistribution of ridings, in order to study the manner in which electoral districts are distributed over there.

I am sure that, on his return, Mr. Castonguay will be able to enlighten my colleague from Charlevoix, as well as myself and all other hon. members. That is why I find his bill premature.

Moreover, after listening to the eloquent speeches of the hon. members for Montmagny-L'Islet (Mr. Berger) and from Quebec-Montmorency (Mr. Marcoux), there is no doubt that the request of the hon. member for Charlevoix must be questioned.

What deepens my conviction is that, after having heard the hon. member for Quebec South (Mr. Cantin)—I take the liberty of calling him by name—who gave us a long list of name changes, I see that there can be much more confusion than in the county of Charlevoix at present. I wonder if the confusion he speaks about in regard to his own constituency is not of his own doing.

I listened to the remarks of the hon. members who took the floor before me and devoted particular attention to those who dealt with redistribution. I would like to tell the house that after the committee is set up, I shall speak first of all about the number of voters who reside in and around Montreal.

(Text):

The Acting Speaker (Mr. Batten): Order. The hour appointed for the consideration of private members' business having expired the house will resume the business which was interrupted at five o'clock.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

NATIONAL DEFENCE

APPOINTMENT OF SPECIAL COMMITTEE

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

That a special committee be appointed to consider matters relating to defence and to report from time to time its observations and opinions thereon; that the committee have power to send for persons, papers and records and to examine witnesses; that it be empowered to adjourn from place to place; that standing order 67 be suspended in relation to the committee; and that the committee consist of 24 members to be designated by the house at a later date.

Mr. Bigg: At five o'clock I had just indicated that I would have no faith in a defence policy which was a combined policy of the four groups in this house. I suggested, and I still think so, having thought it over again during the supper recess, that responsibility for defence policy under our parliamentary system must rest squarely on the shoulders of the government. The Canadian people have made a somewhat shaky decision as to whom they expect to make this policy, but having accepted office the Liberal party is, in my view, solidly seized with these responsibilities. If we do set up this committee it will never be more than a fact finding committee and we cannot expect it to make decisions of the kind to which I have referred.

In recent months we have heard talk about anti-Americanism. I do not think any party in this house is anti-American. Far from it. I think it is high time we stopped any such talk and got down to seeing just how far we can co-operate with the United States. In my opinion this co-operation must be 100 per cent. Many of us feel that our budget expenditures on defence are much too high. However, I cannot agree with this view. Expenditure in the United States on defence is at a much higher per capita than ours. Moreover, their attitude toward national service is more realistic than ours and I, for one, would like to see national defence discussed in this committee. I think it is high time the people of Canada looked at the twentieth century and its challenges, forgetting old mistakes and recriminations, and decided we must have arrangements in keeping with modern needs. If we are to match the United States in per capita dollars spent on our defence, I think we should also match them according to our population, in manpower. We cannot do this unless our young men and women are given the chance to be prepared, physically and mentally, for the challenges which I am sure will lie ahead for many years to come.

[The Acting Speaker (Mr. Batten).]

The Calgary *Herald*, in that article which it put out some 18 months ago to which I have already referred, faced these problems clearly, particularly with regard to expenditure, and if the house will bear with me I will quote a paragraph or so from that article which I think is relevant to the issue before us.

Canadians can scarcely argue at this point that defence constitutes an insupportable burden on their pocketbooks. As a matter of cold fact, defence expenditures have scarcely squeezed the pockets of most of us at all.

Furthermore, since the survival of this and other free nations may depend entirely on adequate defence arrangements, it is impossible to say that such and such a level of defence expenditure is "too high" if it isn't adequate to do the job it is intended to do.

If we value our sovereignty and our nationhood, we ought to be prepared to spend whatever is necessary, even at the cost of some sacrifice, to defend our country. No matter how much we spend, if we spend one dollar less than is necessary to do the job adequately, we shall have spent too little.

This is not to argue for lavish and needless expenditures on defence luxuries. It is merely to state that once the best brains we can hire have decided on what the job is, and the minimum weaponry necessary to do it, then Canadians, as a matter of pride, ought to be prepared to spend the money to acquire such weaponry.

This brings me to the question: are our present weapons adequate for defence. Perhaps they are not. But I think we have done our best. When the Arrow program was cancelled—and this was one of the decisions which the former government made; I think it was a proper decision—we looked around for some other form of defence against the bomber. We built the CF-104 for the reconnaissance role and we purchased 66 Voodoo planes from the United States to replace the Arrow as a defensive weapon against manned bombers. We were severely criticized by all parties in the opposition for doing this but I say, today, that we would not be able to accept the commitment we expect to have presented to us in the near future unless we had taken this step to prepare our country. As far as the Arrow is concerned, I understand the United States refused to include it in their defence program. If the United States is so forward looking, and if the Liberal party is able to get agreement with the United States in all respects, why did they not get a workable arrangement with the U.S. at the time the Arrow was on the drawing board? These are questions which, I think, should be brought up before the committee.

I do not think any weapons we have at present are capable of giving us complete security. But the important thing in my opinion is that we should show complete

solidarity on defence matters in North America. We should put up a proposition to the United States in clear terms which the Canadian people are ready and willing to support. Then, if necessary, we could put the Americans on the spot to give us the full sovereignty which I think we deserve. In my family, for 900 years we have had a motto, and the motto is in good plain English—"Country Dear, Liberty Dearer". That is still my attitude today. I do not think the price of freedom can come too high.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, other members of this party, as you know, have already spoken on this resolution and indicated general support. I wish to add that I think the government is to be commended not only for this resolution but for the fact that the resolution places no limitation on the scope of the work of this committee and asks the committee to deal with the whole broad subject of defence. I believe this is a new departure as far as this parliament is concerned and one which in my view is long overdue because of the very striking new problems which face all the people of the world today.

When we talk of war we sometimes fail to realize that total war in these days is utterly and immeasurably different from any phenomenon we knew previously. We would have a sudden, overwhelming calamity beyond the bounds of our imagination. One of the major problems in dealing with defence is that we often do so within an intellectual and emotional framework which is moulded from the past. Our images, our slogans, our ideas and attitudes on the subject of war have been transmitted to us from the past when war was, to a degree at any rate, a sort of limited liability operation.

Mr. Speaker, it is trite to say, although many have said it throughout the years, that the military point of view must be subordinated to the political point of view. I think very few in this house would disagree with that as a general proposition. I want to point out that the tremendous acceleration of technical revolution in warfare has made the subordination of the military point of view to the political point of view both more urgent and also very much more difficult. In these circumstances I suggest that it is indispensable that those of us in political life who wish to live up to our responsibilities have to get rid of the attitudes of fatalism, on the one hand, and wishful thinking on the other. Fatalism takes the view that nuclear war is inevitable and there is very little we can do about it. Wishful thinking, on the other hand, says that we have a nuclear stalemate between the major powers and this makes for stability and the likelihood that because war is unthinkable it is also impossible.

In my view the part that Canada plays in the defence of the west in establishing major policies of defence is inevitably limited. But whether we like it or not, we are involved in it and Canada is not only entitled but obliged to participate in deciding what our over-all strategy should be. In this connection I suggest that an adequately informed parliament has a vital role to play, and it is for this reason that I for one welcome the formation of this particular committee.

I should like to quote a German writer named Helmut Schmidt who has for eight years been a member of a parliamentary committee on defence in the German Reischtag or parliament and who has looked into these matters. Incidentally, he happens to be a member of the German Social Democratic party, and therefore his views will be acceptable to hon. members in this corner of the house, or may well be. In his book called "Defence or Retaliation" he says this:

> Politicans can make appropriate decisions only after the most careful preparation of the relevant materials by competent professionals, but in doing so they should not become completely dependant on their advisers. In this respect the field of strategy is no different from that of transport policy or social security legislation. Military advisers throughout the world tend to underestimate the imperatives of disarmament policy or quite simply to regard the goal of arms limitation as illusory and to pay it only lip service. Over-all conceptions can be worked out only by the political leaders specifically charged with the task, and only they can accept the responsibility for so doing. And only if we have such over-all conceptions does a policy of attempting to influence our allies become meaningful. We are neither a major power—

He is talking of Germany there, of course—

> —able to impose our will on others, nor are we a satellite with no alternative but to adapt ourselves to the will of a major power.

He was speaking of the West German republic, but what he says is equally applicable to Canada. We are not a major power, but we are not a satellite with no alternative but to adapt ourselves to the will of a major power. He continues:

> We do not have the right to allow our people's existence to become the passive object of the strategic decisions of other states. We have, on the contrary, a duty to make our own contribution. The better we are able, soundly and impartially, to put forward conceptions that carry conviction through their inner logic and consistency with the over-all interests of the west, the greater will be our success.

Mr. Speaker, it seems to me that these words from a German statesman who has studied these matters are perfectly applicable to our situation in Canada.

Mr. Speaker, I wish to quote one more passage from the same book, where he speaks of the necessity for the division of labour.

> In addition, a far reaching division of labour is necessary within NATO, not only for political and strategic reasons, but also for those of financial and economic policy. How the tasks are divided must be decided in the light of political and military interests. The smaller and medium powers must not try to set themselves up as great powers.

It seems to me that that applies full force to the situation in Canada.

The leader of our party in this house when discussing this matter also mentioned the purposes to which our defence should be directed. I hope with him that we will not be thinking of a committee solely on defence from the immediate point of view, but on defence for the future. Because if defence consists solely of the confrontation of two major powers with their alliances, it is inherently unstable and cannot be a secure basis for peace. Therefore I commend the suggestion made by the leader of this party that we should consider as an essential contribution from Canada a contribution to the United Nations. I noticed that three of the Scandinavian countries whose position is somewhat similar to ours have proposed unilaterally devoting a brigade of troops to the United Nations on a permanent basis to serve as police forces at the disposal of the secretary general and the security council. It is interesting to note that the suggestion that a brigade of troops from these countries be made available to the United Nations on a permanent basis originated with the ministers of defence of two of these countries who belong to NATO. Therefore I would commend to the Minister of Defence, who I see is now in his seat, that he look very carefully into the possibility of seeing that at least part of Canada's defence effort be put into strengthening the United Nations, out of which will arise in the future the hope of more general security than is possible on any other basis.

Before I sit down I do want to suggest that if this committee is to be truly useful it should not be burdened with too much detail; it should not be asked to substitute its judgment for the opinions of qualified scientists and military men in regard to details of operations and technical questions; it should not be burdened with the minutiae of defence expenditures, although that expression may be a little inappropriate to use in regard to expenditures amounting to $1,600,000,000 in the year. But notwithstanding the fact that a careful look ought to be taken at these vast expenditures from the point of view of the economy and the burden on the taxpayer, it seems to me that the major function of this committee should be to take a careful look at all aspects of security and strategy and it should inquire into what is Canada's most effective role within the alliance with regard to the needs of the future as well as those of the present.

It should also be able to consider whether the whole strategy of the alliance should not be reviewed so as to make it unnecessary to reply with tactical nuclear weapons to conventional attacks. As I understand it, one of the most basic needs of the alliance now is to be able to meet limited wars, limited aggressions with conventional means. That is a point which I hope this committee will look into very, very fully and very carefully. I suggest, Mr. Speaker, that this committee should review promptly and adequately the major choice that faces Canada, as to whether its role in the alliance should be nuclear or, rather, whether it should not be in terms of conventional forces.

I hope that the reports of the committee will guide this parliament in regard to the policy which will strengthen what after all are the objectives of defence, which are the security of Canada and the security of all humanity in the nuclear age. We in this party believe that the formation of this committee is of historic importance and may make a real contribution. We undertake so far as we are able responsibly and carefully to give our best support to the effectiveness and work of the committee.

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, first of all I would like to note that the leader of the Social Credit party, when he was speaking in this debate the other day, said he was frightened about those people whom I call committed Canadians, who are members of what he referred to as peace and disarmament movements. I do not know which group the hon. member finds so alarming, but speaking personally I feel it is very refreshing to find Canadians who are willing to take a stand for an unpopular cause. Surely conformity is one of the deadening factors of contemporary life and, as one author put it just the other day, it seems that the bland are leading the bland. I for one welcome the emergence of dissenters. I welcome them when they parade here in this central place in Canada in witness of their beliefs. In passing, Mr. Speaker, I would say that the Canadian campaign for nuclear disarmament has too distinguished a board of directors to need any defence from a backbench member of parliament. Surely the idealism of most of these movements should be cheered about and not sneered at.

Second, without in any way wishing to be ungracious about the statement made by the

Minister of Justice (Mr. Chevrier) last evening—and I certainly do not intend to belittle a very generous change of heart—with regard to the young man who was discharged by the navy because his uncle was alleged to be a communist, I wonder why the ideological sympathies of one's uncle should affect one's own career in the armed forces. I am prepared to accept the charge that I am overly naïve, but I fail to see any relevance whatsoever in this curious standard. How does the Department of National Defence measure relationships? I am wondering whether they have a blood relationship measurement, or are relationships by marriage considered? The Book of Common Prayer contains a table of kindred and affinity within which one cannot marry. I am wondering whether the armed forces use this as a measurement for loyalty. To me this is an unsettling episode, not because of the generous retraction but because of the implications that necessitated the retraction. I hope the new committee on defence will look into policy considerations which need investigation and which this episode points up.

Third, Mr. Speaker, I found the speech of the Minister of National Defence (Mr. Hellyer) to be extraordinarily lacking in information. He spoke grandly about "hard facts" and he said that people were "starved for real information". I quote him. Well, Mr. Speaker, I have carefully read his speech and I suggest that not a hard fact was forthcoming from the minister except the startling one to the effect that 30 per cent of Canadians thought the Bomarc was an intercontinental ballistic missile. This certainly adds to our massive knowledge and our intake of, to quote the minister, "hard facts".

The minister continued his program of starvation of this house and took, if I may suggest gently to him, much too long a time to tell us that he agreed with his leader about the need for this committee. The minister then went on to tell us about his reading habits—I was glad to learn this—and he told us he had been reading at great length the reports of the United States congressional committee. Well, this hard fact is most enlightening to us all and one which hon. members will learn with, I suggest, calm and unswerving comfort and satisfaction. Mr. Speaker, surely the minister can do better than this.

An hon. Member: That is doubtful.

Mr. Fairweather: Surely he can share with us the results of his lengthy reading of the congressional reports; he can let us in on the startling secrets divulged to him in Paris by General Norstad; he can brief the house—and again I quote his words—on the "most fundamental facts"; he can tell us about NATO's, and again I quote him if I can get this sequence right, "total approach to the confrontation between east and west in all its aspects". Mr. Speaker, what gloriously impossible nonsense is this from a minister who comes to this house aching to share with the country everything he knows? If the minister's contribution to this debate is any example of the "briefings on the most fundamental facts" which he promises the new committee, heaven help the committee and heaven help the country.

We have been flooded with statements and releases about the success of the NATO meetings in Ottawa, but treading a perilous and unpopular path amongst all the gobbledegook about the new NATO role are words and phrases which must put this house on its guard. For example, the London *Economist* headlines a story thus, "Nuclear nonsense serious matter". The *Christian Science Monitor* of April 16, "Multinuclear multimaze", and the great Walter Lippmann on April 17, "Nuclear gimmicks will fail". The London *Economist* again on May 18: "NATO in Ottawa, Cheshire Cat Force". It says, of course, that all it will have left will be its toothy smile. The Manchester *Guardian* on April 11: "Britain's Nuclear Pretence". Finally, in today's *Globe and Mail* the distinguished correspondent, Mr. George Bain, says: "A Multilateral Farce".

These are not my words, Mr. Speaker. "Nonsense", "multimaze", "gimmicks", "pretense", "hoax" and "farce" are but a pattern of what thoughtful critics have been suggesting lately. The new defence committee has a duty to seek out answers to the implications of these words. I suggest it has somehow become unpatriotic to disagree with arrangements made for us by others.

The new defence committee should not be drowned in a sea of statistics and manufactured possibilities or probabilities. It should not, I suggest, be stifled by columns of figures as to the per diem cost of feeding a sailor in the Bermuda station or by such questions as whether or not generals are entitled to first class air fare.

This committee, to use the Prime Minister's own words as reported by the Canadian Press on March 26, 1963 at Kingston, has as its objective "to take the defence issue away from partisan politics" and "to determine an appropriate role for this country". I predict that the committee will have a very busy time studying an appropriate role for this country. In any consideration of an appropriate role for this country I think it is right that the committee should turn to an editorial in the Toronto *Star* of May 30. It shows how magnanimous I am to be quoting that immortal

Toronto publication. The editorial is entitled "The Defence Fog", and the editorial writer suggests four questions that the defence committee must ask.

> What are the military and political arguments which have persuaded the government that Canada should acquire nuclear weapons?
>
> What is implied in the "strike" role which our overseas division has assumed in the NATO defence plan and which is reported to involve the use of one megaton nuclear missiles? Is this role purely defensive, as Canadians have been led to believe, or is it really an offensive one—attacks on cities and industrial centres deep inside the communist countries of eastern Europe, and Russia itself?
>
> Should Canada agree to Washington's proposal that U.S. interceptor squadrons, with nuclear weapons, be stationed on Canadian territory as part of North American air defences?
>
> Is acquiring nuclear weapons from the United States—under controls set by Washington—pushing Canada along the road to the status of a military satellite of the United States? Will it increase the risk that these weapons will spread to other nations?

The editorial ends by saying:

> Before parliament is asked to approve vital defence decisions, it needs accurate answers to these and other questions—answers based not on statements or "commitments" which somebody made four or five years ago but on the military and political realities of 1963.

If I may quote a less widely read publication, the *Canadian Churchman* of March, 1963, poses two questions that to my knowledge have not yet been answered. I quote:

> 1. Just what, exactly, is the United States asking of Canada and her other NATO allies? Why does she want to involve them all in nuclear weapons?
> 2. Is it NATO military policy to meet conventional attack with tactical nuclear weapons?

These six questions will keep the committee busy through one or two of its earlier sessions. Then, too, the committee has a duty to ask about the progress of negotiations for a test ban pact—I think this is an appropriate place for this to be asked—progress of which is now being stymied by political manoeuvring rather than by technical obstacles. This is not the unsupported opinion of a backbencher but the considered assertion of eminent western scientists. The assertion is that there is no technical reason why deadlock should persist over the American claim for seven annual on-site inspections and the Russian offer of two or more. Here, of course, I do not disparage the heroic role played by Canada in the disarmament conference, but I think that the defence committee will want to hear from these eminent western scientists. We want these facts because in my opinion they have not had enough circulation in the country. Fallout surely is too dangerous to allow narrow political considerations to stand in the way of its abolition.

The committee must ask about reciprocal defence purchasing between Canada and the United States and other countries within NATO. Here I do not for one minute suggest a horse trade of, say, bases for defence orders. To me this is too crude for modern Canada. But we do have an obligation to maintain a fair position with regard to defence purchasing. The committee must, I suggest, inquire into plans to amalgamate the armed forces. The committee has a duty to reinforce, as has been so effectively done in Washington, the civilian control of the military complex. As Walter Lippmann said last night, this is probably the outstanding achievement of the Kennedy administration since it took office.

No preconceived notions should interfere with the searching re-examination of defence. No old loyalties should stand in the way of appropriate policies for today. No expediency should hamper Canada's adoption of a role in the world predicated, I say to the minister, on hard facts as they may prove to be. May I suggest, as one did many years ago, that "they are ill discoverers that think there is no land when they see nothing but sea".

Mr. Terry Nugent (Edmonton-Strathcona): Mr. Speaker, it is rather difficult to follow a member who has made such a brilliant speech on this most difficult subject. However, I have taken an extreme interest in this matter and in the hope that I may have an idea or two or that I may perhaps present an idea in a different manner I feel compelled to say a few words on the setting up of a defence committee.

I must admit at the outset that I am of two minds as to this committee. I think it is a great idea for any government to try to get the best advice it can from the house on these very complex problems, and in that same vein I recognize that this is the first time in Canadian history that a committee of the house has been asked to give advice on policy. I think this is extremely wise because it is obvious to most of us who have heard the Minister of National Defence (Mr. Hellyer) speak that never before in Canada's history has there been a minister so sorely in need of advice.

The one thing that fails to convince me this is a good idea is the record of Liberal tactics with regard to defence and the minister's own speech the other day on this subject.

Frankly, Mr. Speaker, I get the feeling that this is all a political sham. Bearing in mind the history of the reversal, the complete change-around, on the subject of nuclear weapons and defence, not only by the minister but by the Prime Minister (Mr. Pearson) as well, I suspect that what they are looking for is some way to shift the responsibility. I believe I have some evidence to back up my suspicions in this regard. Perhaps I am

being a little unfair to the Prime Minister, but when he denied with such emphasis that this was the situation, I am all the more convinced that it is the real reason for referring policy to this committee.

The minister of defence has said that there has been a paucity of information for the members and the general public. He cited as an example how misinformed the public was on this subject. If the minister was surprised at the way the public has been misinformed, then he is most modest because I think the minister and his colleagues should take all the credit for this fact. It is in this direction that they have bent all their efforts for the last three or four years. Indeed, their success in misinforming the public has a direct bearing on the fact that they are now the government of this country.

I was struck by the fact that the minister addressed his remarks about NATO to the need, in present day circumstances, for Canada to play its role in connection with our allies, and so on. All this sounded exactly like Conservative policy enunciated during the last election campaign which was so derided by the minister and his colleagues as being indecision. I certainly know that I campaigned on the fact that changing conditions in the world, new weapons, new techniques, all these varying considerations that we now face, should cause any government to pause and consider. Any government that would say we will play this role or that, knowing that the NATO ministerial meeting was going to consider all these facts in a few months, would be rather silly. We were derided for this position. I am happy to think that success in politics has brought so much common sense to the Minister of National Defence (Mr. Hellyer) that he can now recognize that the only sensible course is the one which we advocated for so long.

The Prime Minister, I believe, pointed out that we have always had a committee on external affairs which has considered policy. He said that since the external affairs committee has always considered policy, there is no reason why the defence committee should not. Certainly, he must have had his tongue in his cheek when he was saying that. Anyone who has any conception of the number of items which are considered security items and which, therefore, cannot be dealt with in detail, should know that this basic information about which the minister of defence talks so glibly is likely to be very incomplete on item after item. We are going to have to accept, as members of that committee, the advice of various officials who will say, "I cannot give you the exact details on this item because of security considerations. However, here is what we have, and I assure you this is correct." I can think of no broader scope for the political machinations of the Liberal party, and undoubtedly they are smarter politicians that we are, than a situation like this in a committee which is supposed to be considering defence and which is supposed to bring in its recommendations on the basis of information given by various individuals.

I say I do believe this government could benefit and would benefit from the opinions of the members of this house in any consideration of policy if hon. members were furnished with the facts. I may be unduly suspicious of hon. members occupying the front benches opposite—if I am they only have themselves to blame by virtue of their conduct over the last few years—but I am totally unable to believe that they will provide the committee with access to the necessary information. I believe that in many cases the committee will be given opinions instead of facts in those cases where exact knowledge of the facts would be most important. I do not want to dwell too long on the purely political implications of this motion. The scope of the debate is broad enough to mention something of policy, and it is here that I depart most violently from that defence concept which has been accepted and extolled by the government.

I really believe that the information to which the minister refers so glibly is that information which will convince us as to the exact extent of the defences of this country, and the extent of the defences of the United States, in so far as they can be revealed bearing in mind security considerations. I think that the question of defence eventually comes to this point: Once we have satisfied ourselves that the west is possessed of enough power that we have a real deterrent, that is that degree of retaliation that no other power could possibly contemplate unleashing it, then we have sufficient defence. It seems to me that today we have paid lip service to this concept. I feel that as long as three or four years ago each side, the east and the west, had such power that no one could possibly contemplate bringing down that power against the other.

If such is the case, Mr. Speaker, no matter how incomplete our knowledge of defence is, then it seems clear that there is more than that amount of power today and we must, therefore, look at the other considerations. If each side possesses power to the extent that no one would deliberately bring it down upon the other, then we must consider other things which might cause this power to be unleashed. I refer to an accident, a little spark which may be brought about by misunderstanding, and so on.

Next I suggest we must consider that so long as that sort of power is there it presents a menace not just to us but to civilization itself; that so long as it remains the principal threat we must guard against it and it should be given the highest priority in our studies.

When I think of our disarmament talks I am reminded of two people in the wild west, with six-shooters on their hips, talking about who is going to let go their gun first, or who will have the fewest bullets. I am sure we all know enough about the history of the west to know that, each having some reason to mistrust the other, such differences have never been settled by mutual consent. It was the sheriff who possessed the fire power to punish one or the other, or to settle the conflict, that enabled each of them to lay down his weapon in safety. Therefore I suggest the first consideration that should preoccupy this committee, when it is set up, is the possibility of establishing the sheriff. In today's world there is only one, the United Nations.

At the outset I will admit we have many faults in the U.N. Certainly as it is presently set up it is not competent to handle these problems, but I suggest that instead of turning our backs on the U.N. we should turn our faces towards remedying those errors of commission or omission in its constitution and status which prevent it from operating in the way that it might serve this role.

I am most unhappy, most depressed, with the thought that considerations of defence go beyond what our defence planners say is our goal to deter the aggressor, and that once they have passed the point that any logical, sane person knows is sufficient, they go on thinking in terms of world war I and world war II—strategic concepts; consideration of bases; the military advantage of one side or the other; who has got the most of which sort of weapons, and who has the supremacy in this line or that. Certainly I would think it is not too strange an idea that once you have overcome the initial thought that they are afraid to attack you, then you should turn your attention, as the first line of defence, to how you can prevent the accidental outcome of world war.

Mr. Speaker, I think that when we are going to contemplate taking on weapons we must first look and see whether they are going to add to our defence. I suggest there is already in the hands of our American allies more than enough deterrent power, and that what we would be doing if we accepted nuclear arms would not be adding to that at all. It is merely taking control of a small part of what we already have. I fail to see how anyone can say this adds to our defence.

If we are not adding to our defence and if we are going to have to give up part of our sovereignty, as I suggest was tacitly admitted by the Minister of National Defence in his speech the other day, I fail to see the justification for such a move. Canada's first role in defence can only be maintaining Canada as a sovereign, independent state with a voice which counts, having a sense of justice and integrity, having the respect of fellow nations which listen to it, and thereby bringing the utmost weight to bear on those vexatious little problems that occur about the world now and then so that we may, in our own little way, help to stave off some of the consequences of mistakes, and even sometimes by our advice, help to avoid them.

I may sum up simply by saying that I am afraid this committee can only be a red herring. I would not like to vote in favour of it, but I would urge that when the committee is set up, if it is going to consider matters of policy its members proceed to consider those policies, after they have become convinced, as I am sure they soon will be, that we have reached more than enough deterrent power, and so that we can look at those things which are in need of most attention today.

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, in taking part in this debate this evening I should first of all like to disclaim any pretentions to being a military expert. I am sure this will be received with great gratitude by our so very knowledgeable Minister of National Defence—that I make no pretensions on this score at all. In the course of a rather chequered military career the most exalted rank I attained was that of corporal, although I must say I attained it more than once, my military career having a certain yo-yo characteristic. But even had I by some miracle attained the rank of field marshal in that very ancient world war in which I took part, I would not be capable of being a military expert in the lunatic world of kilotons, megatons, overkill, first strike and second strike.

So, I have to rely on the views of people who are presumed to be experts, both scientists and military logicians, and I find like most experts they spend a very large amount of their time contradicting each other with great virulence, but there is one thing they all agree on, in fact there is no disagreement at all among accepted military experts and accepted scientists throughout the world on the fact that there is literally no defence against modern weapons of war.

I have an idea that a great deal of our trouble and confusion in Canada today is due to our misuse of words, that we will persist

in using the word "defence" when every authority who has the right to an opinion tells us there is no such thing. In fact it was the general acceptance of that idea that caused the evolution of the theory of the massive deterrent, brought forward by the late unlamented John Foster Dulles. If this theory is valid, Mr. Speaker, and it may very well be valid, it must include an anterior theory, a theory that must be held both by those in control of the western strategy and those in control of the communist strategy, and that theory, conviction and assumption must be on the part of the western world that the Kremlin is inhabited by certifiable lunatics, and on the part of the Russians that the American administration is similarly staffed by lunatics, because let us examine for a moment what are the implications of this theory of the massive deterrent.

It is that while there is no means of defending ourselves in the traditional sense of the word from destruction, complete and near destruction, it may still be possible to frighten any prospective enemy from attacking us first, by waving in his face the ability to strike him even more severely than he has struck us.

Now, as I say, this theory depends on the assumption that each side must consider the other to be composed of lunatics. After all, only a lunatic in the Pentagon could imagine that any benefits would occur to the American people by creating a radioactive desert in central Asia and Europe—yet it is on this basis that the Russians operate today in building up their deterrents; it is their presumption, evidently, that the Americans are lunatic enough to embark on the projects which could be of no possible benefit to them after it had been completed. And, in a similar way, the Americans must hold the same view with regard to the Russians and consider that the Russians could seriously envisage creating a radioactive desert in North America which could be of no conceivable benefit to them or anyone else.

If this theory of massive deterrence is valid, I think it is about time we began to examine the extent of the deterrence which is available today. My hon. friend who spoke before me dealt with this matter at some length, but I want to quote from someone who should be an unimpeachable authority—no less a person than Mr. Robert McNamara, the secretary of defence of the United States as quoted in the February 8 issue this year of *Science*, the premier scientific journal of the United States, being the organ of the American association for the advancement of science. In this article, Mr. McNamara is quoted directly in the following words:

As the arms race continues and the weapons multiply and become more swift and deadly, the possibility of a global catastrophe, either by miscalculation or design, becomes ever more real. More armaments, whether offensive or defensive, cannot solve this dilemma. We are approaching an era when it will become increasingly improbable that either side could destroy a sufficiently large portion of the other's strategic nuclear force, either by surprise or otherwise, to preclude a devastating retaliatory blow. This may result in mutual deterrence, but it is still a grim prospect. It underscores the need for a renewed effort to find some way, if not to eliminate these deadly weapons completely, then at least to slow down or halt their further accumulation.

Following on the statement of Mr. McNamara, statements have appeared on the authority of Mr. Paul Nitze, the assistant secretary of defence in the United States. In March of this year, in a speech in Cleveland, Mr. Nitze drew attention to the overwhelming superiority of the United States in nuclear striking power and the overwhelming superiority in manpower and conventional weapons of the western alliance. With regard to the nuclear striking capacity, which he described as America's awesome nuclear capability, he told his audience that in the United States there are 600 manned jet bombers on 15-minute alert, 200 intercontinental guided missiles in place and aimed on their targets, and 144 Polaris missiles on submarines. And only yesterday, Mr. Nitze was reported in the *Globe and Mail* as saying in Washington that one Minuteman intercontinental ballistic missile or a Polaris missile is being added to the United States deterrent force every day. So 365 of them are added every year.

Now I suggest to you, Mr. Speaker, that if the theory of massive deterrence is valid—and it is the only theory of defence in the world today; the only theory which is accepted by military and scientific authorities—then, surely, this deterrence is already as large as is necessary for any eventuality. It seems to me that if this tremendous volume of these deterrent weapons is not enough to frighten a potential enemy, any contribution Canada could make would be derisory in its nature, so minute would it be.

While reading Mr. McNamara's statement published, as I say, in *Science* magazine, the thought occurred to me that in making public these facts in a somewhat astonishing manner, followed by his assistant making public equally remarkable facts, the authors of these statements were attempting to come to grips with that military and industrial complex against which President Eisenhower warned the American people in the last few months of his term of office. We may well not be strengthening the hands of those in the United States who are seeking to curb this headlong drive to catastrophe which Mr.

McNamara speaks of when we meekly accept further weapons, meekly accept a role in this devastating and lunatic business.

I have been interested and somewhat dismayed on hearing statements made by the present Prime Minister both before he was prime minister and since he assumed that office—statements indicating that in his opinion Canada's national honour was involved in this question of acquiring nuclear weapons for which, demonstrably, there is no possible need or use. It struck me at the time when he spoke in this vein in the House of Commons that this was a most curious concept of national honour, a most curious concept indeed, namely, that we were bound by a lunatic agreement—if there was such an agreement—to spend our treasure and our resources, to the exclusion of much more useful activities, not on adding to western strength but merely going through the motions in an absurd and ridiculous manner so as to pretend we have a role to play in the military world of today. I would suggest to the Prime Minister that if he is looking for stains on our national honour he had better not look in this direction—in the direction of unfulfilled, ridiculous pledges. He had better look at the unemployment, at the slums, at the lack of a medical insurance plan, at the difficulties we are experiencing in education, at the foreign ownership of most of our country. These are the things this government should be attending to.

Even if one agrees with this argument—and I fail to see how one could disagree—the question may be asked: why does the United States press us along this course, and press us to a most striking degree. I would suggest there are two possible reasons. One is a matter of prestige. There is, on the other side of the world, another complex of nations, communist nations. Largely for reasons of prestige the Soviet union decided not to release the east European countries which are under her domination. Although they constitute a continual worry and threat to her, it would be a severe blow to national prestige if they slipped outside the Soviet orbit. I suggest some similar sort of considerations may well be operating in the minds of those in the Pentagon in Washington who are already in control of sufficient nuclear power to destroy the world several times over. There is no other logical reason, unless one takes another possibility, one which I would hope is not the right one, and that is that we are being pressed today so that Canada may be a protecting area, a *cordon sanitaire* if you like, for the nuclear weapons aimed at the United States. After all, I suppose the first responsibility of any government is, if it is at all possible to do so, to deflect any attack upon its own people and its own territory on to any other territory. One might take that position, and if it is one of the motives of the United States, the government of that country is merely doing its duty.

I should like to examine this proposition in regard to this question of nuclear armaments and defence measures in toto, and to examine the possibilities and the probabilities in the world with a view to assessing our behaviour and that of our possible adversaries. It is a well known psychological fact that people who insist on attempting to guard against every possible danger or mishap very rapidly become mentally unhinged. The sane person is the one who guards against probabilities; he does not waste his efforts, anxieties and worries in trying to cover every possible contingency. In fact the people who do so find their way into our mental homes. A very well known mental disturbance is that of the person who suffers from a "compulsive cleanliness" because he is always afraid that some kind of germ will get on his hands and cause his illness or death, and who spends his time frantically washing his hands and disinfecting them, and who eventually lands in the "loony bin". It may be possible that he will get a germ on his hands and by a million to one chance it does kill him, but no sane person operates on that basis. I suggest to you, Mr. Speaker, that right now we are faced with mass lunacy in centres of power in the world. I suggest that those in control of the military power in the world today are attempting to protect themselves not merely against what is probable or likely but against what might possibly, by some strange concatenation of events, take place, and the result of their insanity is that it has brought the world almost to the brink of disaster.

Now, the question may well be asked: Is there a useful role for Canada to play in the world today in this regard? I suggest to you, sir, that there is an extremely useful role. I want to illustrate that role by referring to some events which took place last October. Those of us here who were members of the twenty fifth parliament will recall that evening in October when the prime minister of Canada rose to tell us that the President of the United States had informed him about half an hour earlier that the United States fleet was deployed in the Caribbean blockading Cuba; that any ship approaching Cuba would be stopped and searched; that any ship refusing to stop would be sunk; that any retaliation in any part of the world would result in the outbreak of a thermo-nuclear war. I do not need to remind hon. members of that dramatic and nerve-wracking period here in the House of Commons and throughout the world.

Now, Mr. Speaker, when people examine the Cuban crisis I note that they have a tendency to go only half way back in the chain of events which led us to this precipice. Most of them go back no further than the misguided effort or pretense—whichever it was— of Mr. Khrushchev to put missile bases in Cuba. Most people go no further back than that. It is, to their minds, what created the crisis. Others who are a little more perceptive go a little further back as far as the Cuban revolution which brought Fidel Castro to power. This was the start of the chain of events which led us last October to the brink of thermonuclear destruction. But I submit to you, Mr. Speaker, that we must go further back than that to find the real reason why the world was perched last October on the brink of disaster—back far beyond the Castro revolution. We must go back to the condition in which Cuban people were living for generations before the Castro revolution.

I have no means of knowing what conditions are like in Cuba today. I have not been there and one gets conflicting reports. But I and other hon. members of the house know that before the Castro revolution the people of Cuba were living in unbelievable misery, squalor and terror under the Batista regime, and predecessors of a similar nature. And we know something else—that not one of us lifted one finger to help the Cuban people out of their appalling misery. We took it for granted that that was the way the Latin Americans lived. We said: "It's too bad they don't understand our democratic procedures. It's too bad they are not as developed as we are". We never lifted a finger to help them, yet we knew what was going on in Cuba. Our Department of External Affairs knew because they had steady reports coming in. I suggest to you, Mr. Speaker, that when we are seeking for a valid and viable role for Canada to play in the world today that bitter lesson should be borne in mind. Because there are today throughout the world many Cubas in which the people are living in the squalor, misery and terror in which the Cuban people lived not very long ago.

Mr. Speaker: Order. I wonder whether the hon. member would permit me to interrupt his very interesting, I may say, discourse. I have been making a few notes on this matter, and although a lot of hon. members have made some very interesting speeches, is not the real issue in this debate whether or not we should set up a committee on defence? That is the question before the house. I have gone into the authorities rather extensively and I take the view rightly or wrongly, that the motion is to set up a committee. It is not a review of all matters to be referred to the committee. It is for the house to decide whether a committee is or is not desirable at this time, and this, let us face it, is a relatively narrow field of debate.

I do not wish to restrict hon. members in debate. They are quite right in referring matters which should be discussed by the committee to the committee, but an extended debate on foreign affairs or foreign relations, when the point before the house is whether or not we should set up a defence committee, seems to me comparatively restrictive. I just throw that out to hon. members and suggest that perhaps we should make speedier progress.

Mr. Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, in reply to your suggestion I would submit that we are here setting up a committee which, in the words of the Prime Minister (Mr. Pearson), is to discuss and examine not merely the details of material defence or the weapons of defence, but the whole question of the policy of defence. I submit with all respect that I am presenting to you the alternative roles which I think Canada should be playing which to my mind are more reasonable and rational defence proposals than have yet come before parliament or from the government benches. It is for that reason, sir, that I have dwelt on this question of an alternative role because I consider that to be the only valid defence role in the world today.

Now, sir, perhaps you will permit me, just for the few moments I have at my disposal, to deal with one specific aspect of defence. I refer to the question of nuclear arms. I have dealt with this on a tactical basis and I should now like to say a word or two, with your permission, on the moral question involved. I suggest to you, Mr. Speaker, that the Canadian people cannot afford to dodge this moral issue.

There has been throughout the last few decades a steady escalation of horror in the prosecution of war. I referred, when I began my speech, to my own experiences of war, a very primitive war and one which had more in common with the middle ages than this lunatic world in which we live today. But I also recall during the last war the horror that descended on the world when the first news of mass bombings came to our knowledge, and how those outraged protests died away and people finally accepted the idea that to destroy civilian populations as a deliberate military project was acceptable in this strange world in which we live.

That was bad enough when we were only destroying people of that generation, when we were only knocking down the material bases

of the civilization of that time, but at Hiroshima we went into a new era and it is for the Canadian people of today to decide whether they are prepared to allow their governments to involve them in military operations of any sort which involve the use of weapons which destroy not merely generations now living but maim and cripple generations yet to come, and poison and destroy the very environment from which a new civilization could be built.

I suggest to you, sir, that this defence committee had better deal with this moral question which is involved, not merely in the narrow question of nuclear weapons, but in the whole question of our involvement in this lunatic race toward mass destruction. Canada has a role to play that might well bring into the world some new hope that at the present time does not exist because it is darkened heavily by the clouds of official strategic planning. These are the things that I think any defence committee that is to be worth its salt will have to discuss, rather than perhaps being brainwashed by experts from the armed services or by some tame scientists and forgetting this final moral issue; because it is on moral issues eventually that people rise or fall.

Mr. F. J. W. Fane (Vegreville): Mr. Speaker, since this is my first opportunity to say it in this session of parliament, may I offer you and your assistants my felicitations on the appointment to your high offices. I would also congratulate the government on having appointed an hon. member such as the Speaker to his high office. However, I do think that a person of his particuar ability and integrity would have been much more acceptable and necessary on the front row of the treasury benches.

You have asked us, Mr. Speaker, to restrict ourselves in this debate to talking about the committee that is to be appointed. I am glad to see that the government is taking steps to appoint this committee, because it will be one of their election promises which has been carried out and I think it is high time that some of them were carried out. I was also glad to learn that the number of members on the committee has been increased from 18 to 24, because that will give the opposition more opportunity to make their views known. That is what we need in regard to this question of defence.

I am very pleased to see that the Prime Minister (Mr. Pearson) has decided to allow discussions of defence policy in this committee and I will be more pleased when I see it added officially to the resolution, because sometimes just making the remark in the house does not mean it is carried out.

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

I wonder, though, exactly how much good such a committee will be. Will the government pay any attention to the recommendations of the committee? Will they listen to its recommendations on policy? I am very sure they will not. I say this because I was a soldier, and I really cannot see how the government can have its policy set by a committee composed of members of all parties. It is a good out for them, but I do not think they will take it.

I also wonder, Mr. Speaker, whether the government is going to pay attention to the committee should it, say, recommend that we do not have nuclear arms in Canada, that we do not equip our out of date Bomarcs with nuclear warheads, because our Bomarcs at this late date are not the last word in defence against nuclear bombers. They are not even as effective as they were five years ago when the idea originated of using Bomarcs in our defence. In addition, with regard to the F-101's being equipped with nuclear weapons, they may not be too effective now for the simple reason that they are not as fast an aircraft as would be a fighter plane coming in to attack this country. They would not be a bit of good against intercontinental ballistic missiles, which would be the main method of attack today. Therefore I say it would be a very good thing should this committee recommend that we do not equip the two Bomarc bases in this country with nuclear warheads and that we do not equip our F-101's—that is, the Voodoos—with nuclear warheads.

I was rather intrigued in reading what the Minister of National Defence is reported as having said, that it would take four months to train our forces to use nuclear weapons. Does he not know that in the first world war men like Bishop, Barker, Collishaw and McCall, whom I knew so well, went into action with less than five hours training? If this government is going to take four months to train them to use nuclear weapons, what is the matter with the outlook of the Minister of National Defence, who apparently does not know that Canadian fighting men have no peers anywhere in the world. Canadian sailors, soldiers and airmen are at the top of the heap and have always been since Canada became a nation. This has been proved many times. They do not take forever to be trained, and should it be necessary to have them trained quickly I would venture the opinion that they could have these weapons put into their hands and could use them immediately because they are all trained to do the job with conventional weapons and they are trained to do it well.

I want to say that the equipping of NATO with nuclear weapons is a different proposition because NATO is under a different command. It is not located in Canada but on foreign soil. I do want to say that I hope when the committee is set up it will have the powers it is supposed to have and that its recommendations will be listened to. I doubt that very much, of course, but I hope that is the case. I know that the committee will be set up because almost everyone here is in favour of it. Therefore I hope it will be effective and will be listened to.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, if anything prompted me to speak today it was the speech by the Minister of National Defence (Mr. Hellyer) the other night. I have known him of old in defence committees and may I say that we have seen no change whatsoever. We got nothing out of him the other night, just the same as we used to get practically nothing out of him in those committees except his own opinions. I might say that he has made statements that he had to go and read the congressional reports in order to get information about the Canadian forces. Having listened to his speech the other night, I rather gathered that what he listened to on many occasions were the lobbyists for aircraft companies other than the Lockheed company, who were trying to sell airplanes to the Canadian government during the past few years.

We now have the proposal of the government that this defence committee should be set up to discuss what was not included specifically in the resolution, namely defence policy. To me this is nothing but a sham and I will tell the house why. With respect to the question of policy the minister told us the other night that it was so convenient that at this time NATO was making a review of all its strategy and tactical strength in order to arrive at some final principles of policy, after which the various NATO countries could then decide what forces they would use to fulfil the roles that might be determined after this review. He says that at the same time the Canadian parliament will also be making a review.

But I put this point before members of the house. We all know full well, and with this I agree, that there must be an element of restriction and secrecy so far as defence is concerned. Therefore, either the members of the proposed committee are going to have to be cleared for security and the sessions will be held in camera when they will be briefed as to all the details, if they are going to arrive at valid decisions, or else none of the sessions of the committee will be in camera and all we will have will be the making of innocuous, harmless statements. In that case members of the press will be present and will be able to report as they have done in the past.

So far the press have not been denied any information. Certainly a lot of opinions come from the press. Many hon. members seem to draw their opinions and conclusions with regard to defence from statements in the press. So the knowledge of the press will not be increased by the opportunity that is going to be afforded. Frankly, Mr. Speaker, the setting up of this committee will accomplish nothing more than was accomplished by referring the estimates of the Department of National Defence to the estimates committee. As much policy will be discussed this time as was discussed in 1958. The minister was not here then, when the national defence estimates were before the estimates committee, at which time policy certainly was discussed incidentally.

I am amazed at the conclusion drawn by the hon. member for Red Deer (Mr. Thompson) and the members of his group, and also by the members of the N.D.P.—this grieves me, I may say—particularly the hon. member for Greenwood (Mr. Brewin), that we would now be able to get to the bottom of policy. The government is not even going to lift the corner of Pandora's box for us to examine what is in it, because it cannot. This is inherent in the subject of defence. Either we are going to have full disclosure or we are going to have ill considered recommendations. You cannot have it both ways. How does the minister expect members of the committee to arrive at valid, tested conclusions? Is it by flying by the seat of their pants or by reading the press?

Miss LaMarsh: You would be flying blindfold anyway.

Mr. Lambert: The hon. lady is quite quick to identify herself, but I suggest this would be the role of members of the house, including the hon. lady. I agree that we should have a defence committee but let us not claim too much for it. I suggest to hon. members that the government is already suffering from a sprained shoulder as a result of patting itself on its back with the suggestion that it has done something new, that this is a new departure. Maybe in terminology this is a new departure but frankly, Mr. Speaker, I fear we are not going to get any more than we have in the past.

Let us not compare this committee with the 1960 committee. The resolution at that time was limited strictly to the consideration of past defence expenditures and subsequently widened to include some current expenditures, and policy did come in incidentally. But we read in *Hansard* that there

is no limitation in the resolution with regard to any such matters though, of course, there are always limitations imposed by security considerations.

There is the further restriction or limitation on this committee that certain problems have to be dealt with in the relatively near future. Is the government going to wait for the recommendations of this committee before arriving at decisions? Certainly it will not if it lives up to its slogan of 60 days of decision, or 100 days, or six months of decision. These cannot wait. Therefore if the government are not going to wait for the recommendations of the committee, what do they think the committee is going to do?—waste its time? This is an empty gesture. They have trumpeted across the country that the committee is going to help them to decide policy. This is what they have led the newspaper editors to believe, because I have read a number of editorials and commentaries which say this is a great new step, the birth of a new day with respect to defence policy and its discussion. The people of this country will be sadly disillusioned when they see what actually happens. This is inherent unless, of course, the limitations imposed on the committee by the Prime Minister and by the Minister of National Defence, as I understand them, are removed.

But if the committee are going to do a real job in the light of what they believe to be the purpose of this committee, then those restrictions must be removed. We have to make a complete departure, not a halfhearted departure as is proposed.

There is something more I should like to mention which I do not believe is inherent at all in the committee set-up and which our friends of the Social Credit party do not understand when they advocate these all-party commons committees. This house is composed of parties, and the representation on these committees is based on the strength of the parties. Now, when the Prime Minister (Mr. Pearson) made that statement of his in Kingston on March 26, as reported in the press, to the effect that the Liberal party would set up an all-party Commons defence committee right away to take the defence issue away from party politics and so forth, I say, frankly, that was a lot of tripe. That was nothing but pure, unadulterated tripe, because at that time the right hon. gentleman was expecting to win the election, to have a majority. He did not tell the public this, but certainly we, in the House of Commons, know that the composition of committees is according to party strength. If the Liberal party had a majority in this house they would have a majority on that committee.

[Mr. Lambert.]

Then, all that would come out of that committee would be Liberal party resolutions and recommendations. When you say that committees come to conclusions, they come to conclusions on the basis of political muscle. If you have got resolutions to put forward, then you get them passed by means of your voting power. I have had enough experience in the past few years in these various committees to understand just what may happen. Hon. members should remember that there are no minority reports from these committees. There is a majority report that comes back to this house. The government may accept it or may pigeon-hole it. It may do with it as it sees fit because under our parliamentary form of government we do not have government by committee. This is another limitation or restriction on the proposed committee.

It is true that you may have persuasion. I am sure that there are certain eminent journalists who feel that they have as much power of persuasion or influence on the government, and I am not taking anything away from them when I say that, as the conclusions of a committee would have.

Now, I believe there are certain things this committee will want to know once it is set up. First of all, I believe that all the members of the house will want to know the reason for the sudden change in Liberal defence policy which was enunciated on January 12 last. I am sure the decision was arrived at without consultation with the backbenchers on the government side. After all, if we read that booklet—someone has suggested it should be a comic book but perhaps the colours might be wrong—published by the Secretary of State (Mr. Pickersgill), to which reference has been made on a number of occasions, entitled, "The Liberal Party and its Policy", or something of that nature, we find a very clear, categorical statement of Liberal policy in relation to nuclear arms. Certainly, however, the booklet is not clear on some of the policies enunciated by the present minister when he was opposition defence critic.

I wonder what has happened to the concept of unified command, that sort of overall umbrella? What has happened to that great fleet of mother ships, those transports that were to be built? We remember that famous speech—a lot of hon. members opposite were not here then—that was so widely reported in the press prior to its delivery in the house. This was a great speech on policy. I, of course, felt sorry for the minister's embarrassment at the time, but let us get down to facts. What happened to the policy that was enunciated in that speech? I suppose it has gone into the trash can, like a

lot of other things. This committee will be interested in knowing how the Liberals arrived at this latest policy. After all, so far we have failed to obtain a statement of policy from the hon. gentleman or the associate minister.

We would like very much to hear from the Associate Minister of National Defence (Mr. Cardin). There are many problems in his area of responsibility. I am sure he has charge of personnel matters. Are we going to hear from him about our commitments to the United Nations in so far as our armed services are concerned? Are we going to have more personnel who are available for training assignment or policing assignments under the United Nations? Are we going to have more French speaking personnel? The other day it was suggested, I believe, that the Congo would like to have a corps of French speaking Canadian officers as instructors. This situation might also apply to some of the other new African nations. Naturally, this question will affect policy with respect to recruitment.

There is also the question of whether or not recruiting is going to be stepped up in order to bring the forces up to authorized ceilings. Then, how about the balance between the navy, air force and army? I was not there, but I am told that Liberal candidates in the maritimes, certainly in those areas where there are naval stations, played two ends against the middle. They played off the air force against the navy. They said that a Conservative government had neglected the navy. They alienated the navy from the former administration and in other centres they said: down with the navy and up with the air force. We should hear from the associate minister of defence on these matters.

Perhaps the associate minister would also have something to say about the educational policies of the Department of National Defence. Does he consider this would be, within his own province, an unwarranted intrusion into the educational system of the province of Quebec? There are a few other pertinent questions which affect policy. These are points about which this committee would like to hear and about which the house has not heard. I am sure that hon. members, before they decide to establish this committee, would like to have some idea of what it is going to do. After all, if we look at the resolution we find it refers to all those matters pertaining to defence.

In view of the fact that the foreign policy of this country now relates even more closely to national defence policy than it did in the past, are we going to have a declaration from the Secretary of State for External Affairs (Mr. Martin) as to the policy of this government with respect to those questions involving national defence? This is something that must be determined. The house should know the government's stand on these matters before the committee is named, otherwise we will not know the true purpose of such a committee.

Now, Mr. Speaker, I have indicated what I feel are some of the clear restrictions on the efficacy of such a committee. I understand the composition of the committee is to be 12 members from the government side and 12 from the opposition. Whatever the voting strength will be I do not know; and to appoint a chairman will of course be up to the committee, perhaps at the suggestion of the government.

I say to hon. members tonight that while I appreciate the necessity of setting up a defence committee, in which we can discuss defence in greater detail than it can be discussed here in the house, yet I would be the last one to subscribe to any suggestion that the administration is coming forward with something new. I believe that the hon. members on my left are going to be sadly deceived as to what they think they are going to get and what they think they are going to accomplish. If they feel they are going to be able to question service officers, we know of course that they cannot.

There are certain hon. members over there, among them the hon. member for Winnipeg North Centre (Mr. Knowles)—I think I can hear his dulcet tones and I think he will agree with me on this.

Mr. Knowles: I say we are used to being deceived.

Mr. Lambert: Well, having listened to some of the newer lights of that party expressing themselves on the value of this committee and about how much they welcome it, I address my remarks in their direction and say I am a little cynical as to the efficacy of such a committee.

Mr. Knowles: On a point of order, Mr. Speaker; is it not a rule that an hon. member, when speaking, should address the Chair?

Mr. Lambert: Well, Mr. Speaker, perhaps the hon. member is sitting so far away from the Chair he can do nothing else but face the Chair when he is addressing this house. I was addressing my remarks through you, sir, as I always have, and I think that points of order should be founded on true points of order and not serve just as an opportunity to stand up on one's feet and open one's mouth to show how wide is the space between one's ears.

Mr. Knowles: Just admit you made a mistake.

Mr. Lambert: Well, Mr. Speaker, if the hon. member is so prone to self-identification, that is his privilege, but I was raising the question of spurious points of order, and if the cap fits that is his responsibility.

In brief, Mr. Speaker, I would say that while I accept the nomination of the committee I trust the government will see fit to accede to the suggestions I have made if it wishes to do a real job, and I think a real job can be done; but the government will have to alter the practices in our committee system. It will have to take the committee members into its fullest confidence and then let them go to work. With that, Mr. Speaker, I say I am prepared to accede to the resolution, but with the limitations I have indicated.

(Translation):

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, my first words will be to congratulate the hon. member for Edmonton West (Mr. Lambert) for the excellent speech he has just made.

He asked the government to have, prior to the establishment of that committee, the Minister of National Defence (Mr. Hellyer) as well as the Associate Minister of National Defence (Mr. Cardin) or the Prime Minister (Mr. Pearson) set forth in this house its defence policy for the future as far as our country is concerned.

I feel, Mr. Speaker, that it would be in the interest of all members and, also of the Canadian people, for the government to take its responsibilities and say what it intends to do in the future in respect of each area of national defence. It is all very well to set up a committee, but it should not be restricted, as the hon. member for Edmonton West indicated a while ago, by certain security measures.

I will admit that some problems will be hard to solve on account of the security of our country, but I should not like to see the government take advantage of the situation to keep from the house part of the details concerning our defence policy, so that the Canadian people will also be informed.

It is important that this matter of defence be considered in all its aspects, because the Canadian people want to know every detail.

In my opinion, Canada should not acquire nuclear arms and the estimates of the Department of National Defence should be reduced accordingly. The government should rather concentrate its defence policy on the one field of conventional weapons.

Unfortunately, in the past, particularly under the former Liberal government, we have perhaps been subject to the influence of the United States to an exaggerated degree. We are ready to co-operate with the Americans but, on the other hand, we do not want to become a satellite of the United States. Moreover, we do not want to be dragged into all kinds of expenditures by the American government, when the people of Canada do not have the same financial resources as their southern neighbours.

In that respect, one must not forget, Mr. Speaker, that the American government has a budget totalling $100 billion whereas ours amounts to only $6 billion. As a matter of fact, the annual deficit of the Washington government is higher than our whole budget.

In the past, the American government has dragged us into all kinds of expenditures. For instance, we constructed a type of aircraft that became obsolete right after its completion.

I think that the Canadian people are tired of giving their money when it is not used effectively in the field of national defence. That is what we feel is important for the government and that is why we hope that the government will tell us exactly what defence policy it will follow in the future, before we set up that committee.

We do not want Canada to be a satellite of the United States, let alone the servant of Washington. We want sovereignty for Canada. We do not want to be another star, another American state.

Canadians are proud of their sovereignty. They want to co-operate with the Americans, but they do not want to be dominated by them. In brief, we want decisions to be taken only in Ottawa and not in Washington.

At the present time, there is almost no means of defence against intercontinental ballistic missiles, and that applies to the whole world. Do you know, Mr. Speaker, that a missile coming from the U.S.S.R. would not take 11½ minutes to reach Canada? If we had nuclear weapons in our possession, we who assume the leadership for peace across the world, we would be in a very bad position to tell both great powers—the United States and Russia—to ban nuclear weapons.

Mr. Speaker, may I call it ten o'clock?

(Text):

Mr. Pickersgill: Mr. Speaker, I wonder if the hon. member would mind if I interrupted him—it is a shame to interrupt the hon.

member's speech half way through it—to ask if the house would sit for a few minutes more? Surely everything that could conceivably be said about setting up the committee would have been said if we were to prolong the debate about half an hour?

Mr. Pigeon: Mr. Speaker, I call it ten o'clock.

Mr. Pickersgill: I thank the hon. gentleman.

An hon. Member: Obstruction.

BUSINESS OF THE HOUSE

Mr. Churchill: I presume I may ask the house leader whether we are to continue with this debate tomorrow?

Business of the House

Mr. Pickersgill: Mr. Speaker, before you leave the chair, if I could answer the question put by the hon. member for Winnipeg South Centre (Mr. Churchill) I wish to say it is the intention of the government to go on with this debate, which we hope has pretty nearly exhausted itself, and when it has been completed to go ahead with the resolution stage preceding the bill on the economic council. If there was still time tomorrow, although it will be a short day, we would then call the resolution respecting the department of industry. I may have to suggest some change in the order so far as the third item is concerned, on account of engagements of one or two of my colleagues.

It being two minutes after ten o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Wednesday, June 5, 1963

The house met at 2.30 p.m.

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the house that I have received the following communication:

Ottawa, June 5, 1963

Sir:

I have the honour to inform you that the Honourable Robert Taschereau, P.C., Chief Justice of Canada, acting as Deputy to His Excellency the Governor General, will proceed to the Senate Chamber today, the 5th June, at 5.45 p.m., for the purpose of giving the royal assent to a certain bill.

I have the honour to be,
sir,
Your obedient servant,
A. G. Cherrier
Assistant Secretary to the Governor General

POWER

COLUMBIA RIVER—REPORT ON MEETING WITH B.C. REPRESENTATIVES

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the Prime Minister indicated the day before yesterday that following the talks with the government of British Columbia on the matter of the Columbia river treaty I would be making a statement.

Pursuant to this undertaking I should like to say that late yesterday representatives of the government completed two days of talks about the development of the Columbia river with representatives of the provincial government of British Columbia. The house will not, I am sure, expect an exhaustive report at this stage while matters are still under negotiation. I can, however, say that the main objective of the talks was to prepare the way for the basic agreement between the federal and provincial governments which will be necessary if further progress is to be made in the co-operative development of the water resources of the Columbia river basin. It seems to me only prudent that such a firm understanding with the British Columbia government should be secured before final negotiations with the United States are resumed. I can say, too, that the British Columbia government is in full accord with this view.

A good deal of ground was covered with the premier and his colleagues from British Columbia. The discussions were not final, not necessarily not final—

Some hon. Members: Oh, oh.

Some hon. Members: Explain.

Mr. Martin (Essex East): I said—and in case hon. gentlemen opposite find it difficult to comprehend, I will repeat—the discussions were necessarily not final. I am sure no one opposite thinks they could be. The reports of the two delegations will now have to be considered by the federal and provincial governments.

At the conclusion of the meeting late last night the following communique was issued:

Yesterday and today, talks regarding the Columbia river treaty have been taking place between the government of Canada and the government of British Columbia at the ministerial and official levels. The British Columbia delegation was led by Premier Bennett and the federal delegation was led by the Secretary of State for External Affairs. Associated with them were, for British Columbia, Hon. Robert Bonner, Hon. Ray Williston and senior officers of the British Columbia hydro and power authority and the British Columbia water resources service and for Canada, Hon. Arthur Laing, Hon. John R. Nicholson, Dr. Jack Davis and Dr. John Stewart and officials of the federal departments concerned.

Following a joint meeting with Prime Minister Pearson, the two delegations have held a series of intensive discussions on various aspects of the treaty and on the arrangements which would be required between the Canadian government and the British Columbia government.

The provincial and federal representatives have had a thorough discussion on the modifications and clarifications in the treaty which Prime Minister Pearson had suggested to President Kennedy in their meeting at Hyannis Port last month. The representatives of British Columbia and of the federal government considered that these improvements should be sought through some device such as a protocol to the existing treaty which would not involve the renegotiation of the treaty itself. In particular, the two delegations agreed that the price and other terms of sale for Canada's downstream power benefits generated in the United States should be further negotiated before any exchange of instruments of ratification which would bring the treaty into force. Such an exchange of instruments of ratification would, of course, only take place after action has been completed by the Canadian government and the Canadian parliament.

In addition to discussions on the treaty itself, during several working sessions the federal and provincial representatives drafted the provisions of an agreement designed to set out clearly the responsibilities of the federal and provincial governments and to ensure that all of the arrangements under the treaty bring the maximum advantage to the people of British Columbia and the rest of

Canada. The agreement is based on the intention that the necessary modifications will be negotiated in the proposed treaty arrangements and that the way will then be open for ratification of the treaty. The agreement drafted over the past two days is being submitted to the two governments for their consideration.

Final decisions on the various matters, including the draft agreement, discussed during the present series of meetings can only be taken by the federal and provincial governments after they have had an opportunity to consider the reports from their representatives. The meetings have taken place in a co-operative and constructive atmosphere. Both delegations were anxious to make as much progress as possible.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, the concluding words of the communique that was issued will be shared by all hon. members. We, of course, have had some experience since January, 1960 in that connection. A number of meetings were held between the government of Canada and the government of British Columbia. They were amicable and constructive but they ended without agreement.

It is well to look back over the years and realize that in January, 1960 when the treaty was signed it represented the consensus not only of the government of Canada but of the government of British Columbia. The government of British Columbia was represented. It agreed to the terms, the treaty was signed, and it was only then that disagreements arose as the result of a desire on the part of the government of British Columbia to have terms different from those already agreed on.

All of us would welcome proceeding with the development of the Columbia. At the same time the Peace river project is now under way. When these two projects are under way and power is developed, naturally the house will want to know what provision is going to be made for the marketing of what will be bound to be a tremendous surplus of power. Will there be action taken on the part of the federal government to bring about that which we advocated, namely a national grid to assure that future generations of Canadians will have available to them the vast power potentialities of our country?

Then, in so far as downstream benefits are concerned, the communique is veiled in uncertainty. Apparently the sale of these benefits is to depend on the price secured in the United States. We have always contended that, in so far as downstream benefits are concerned, if they mean as we believe they do, cheaper power, the major portion of the downstream benefits should be made available to Canadians. This phase of the situation was not dealt with except in generalities.

[Mr. Martin (Essex East).]

I welcome the fine spirit that has prevailed as between the representatives of the federal government and the provincial government, but I point out this on the basis of experience in the past. Unless the government of Canada will do that which Premier Bennett wants done, agreement cannot be secured. In other words, if agreement is secured he will be the one who will determine the terms of the agreement.

Mr. Bert Leboe (Cariboo): Mr. Speaker, we certainly do welcome the announcement today by the Secretary of State for External Affairs concerning the arrangements that have been discussed with the government of British Columbia. I should like to say it is my opinion that we have had some of the top men in Canada participating in these discussions on this subject. I am confident from the fact that we are now getting action in connection with this treaty, that the words of the former prime minister, now the Leader of the Opposition, sound very hollow indeed. The political implications of what has taken place in British Columbia in recent months certainly must show us in this house what some of the real stumbling blocks were in connection with getting anything done about the Columbia river.

We have now seen some action in connection with this matter. I am certain that with the type of individuals who are actually engaged in the negotiations we will be pleased, not only as people of British Columbia but as people of Canada, when the final arrangements are made. I have every confidence that this will be so.

In so far as the premier of British Columbia wanting his own way is concerned, why shouldn't he? Since he is the premier of British Columbia, he is there to represent these people, and why should he not get the best deal possible for the province of British Columbia? I am all for that. I think it is axiomatic that if he does so we will have the best possible program for the Dominion of Canada as well.

In so far as the Peace river project is concerned, I am pleased to see that the Peace river development has speeded up the need, in the general over-all picture of power, for the development of the Columbia. It is obvious that the development of the Peace river area is something that is badly needed in western Canada, and certainly a national grid to tap some of that power and bring it to the prairies and other places is something that should be considered by the government, and no doubt will be.

I appreciate very much the report that has been made, and we will be looking forward to further reports. I am sure that the $9 million which British Columbia has already spent on the Columbia river shows the province has not been lax in promoting the program and the project.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I think all hon. members will agree that it is the part of wisdom to conclude an agreement with the province of British Columbia before attempting to carry on any negotiations with the government of the United States. The present impasse we are in is due to the fact that this process was not carried through.

However, Mr. Speaker, there are three points about which members of my party are concerned. I wish to say first of all to the minister that we would like to have some undertaking that those who are affected by this Columbia river treaty plan, and any modifications or changes in that plan, will be given the opportunity to be heard. To the best of my knowledge they have written assurance that, in any modification or renegotiation of the treaty, they will be given ample opportunity to express their views and to be heard. I certainly hope this commitment, which I understand was made by the Prime Minister himself, will be fulfilled to the letter. Therefore I express the hope no final decision will be reached, and no final commitments made, until the committee on external affairs has an opportunity to review the entire matter.

The second point that gives us concern is the statement made by the Secretary of State for External Affairs that negotiations are going on regarding the price of downstream power benefits. This would indicate that the principle of selling the downstream power benefits has been accepted. We certainly would have serious misgivings about the acceptance of such a principle, particularly until the whole situation has been reviewed; because there is ample evidence of the fact that it would be much more economical for Canada, as a whole, and for the lower mainland of British Columbia in particular to have this power delivered to Canadian consumers rather than having it sold to United States power companies.

The third point is that we think the treaty itself needs to be re-examined to see whether it is the best treaty negotiable to make the maximum use of the resources under discussion. Many persons have been questioning why the original McNaughton plan was dropped. I understand it was dropped because the province of British Columbia preferred another plan, but the committee on external affairs and this house have the right to ask that General McNaughton be called as a witness, and that other experts be called to review the McNaughton plan.

The whole question of power has obscured the much more important question of the best use of our water resources, because the entire flow of one of our largest rivers, is being sold in perpetuity. The prairies are particularly interested in this matter of water flow, and I am told that even a 10 per cent diversion of the Columbia river could double the flow of water in the Saskatchewan river. This is certainly important in a country where irrigation and water conservation are matters of growing urgency. Therefore we would expect that while these negotiations continue no commitment will be made until the external affairs committee has had a full and extensive opportunity to review any modifications and changes in the treaty before ratification of the treaty itself.

[*Later:*]

On the orders of the day:

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Secretary of State for External Affairs arising out of a report he made to the house today on the negotiations with the government of British Columbia.

Did these discussions touch on the question of the application by the government of British Columbia or any authority of this government for approval under the navigable waters act of the Peace river dam project? If so, was any undertaking, conditional or otherwise, given to the premier of British Columbia?

Hon. Paul Martin (Secretary of State for External Affairs): As the hon. member will appreciate, while we are in the first stage of negotiations it would be undesirable as well as improper to deal with subjects which were or were not covered by the negotiations. I can say no more at this time.

[*Later:*]

Mr. H. W. Herridge (Kootenay West): I wish to address a question to the Secretary of State for External Affairs arising out of the statement which he read to the house, a statement we shall have to study very carefully indeed in order to get all its implications. However, in the light of all the circumstances, can the minister assure the house that no final decision will be made by the government regarding any agreement between

the government of Canada and the government of British Columbia until those persons who are concerned and interested have been consulted and heard?

Mr. Martin (Essex East): I can answer the hon. member's question by saying this. There will be no ratification by Canada of the treaty until this matter has been discussed in this house and referred to the external affairs committee. That does not remove responsibility from the government for taking a decision as a government. This government believes it has a responsibility and it will take decisions in accordance with that responsibility.

Mr. T. C. Douglas (Burnaby-Coquitlam): Will this undertaking to give the external affairs committee an opportunity to review the matter extend to the question of deciding about the sale of down stream power benefits?

Mr. Martin (Essex East): All aspects of the treaty, as well as all aspects involved in what I hope will be a firm agreement between the government of Canada and British Columbia, will be open for examination and discussion in this house and in the external affairs committee.

Mr. T. S. Barnett (Comox-Alberni): Can the minister tell us whether any draft agreement which may be reached between the federal government and the government of British Columbia will be referred to the external affairs committee and the house prior to the resumption of any further negotiations with the United States regarding this treaty?

Mr. Martin (Essex East): I can add nothing more to what I have already said, and I think I have answered the hon. member's question.

Mr. Barnett: May I ask the minister directly, then, whether any agreement has been reached between the government of Canada and the government of British Columbia? Has the government of Canada agreed to facilitate the sale of downstream power benefits?

Mr. Martin (Essex East): The conference of the last two days had to do with a proposal by the present federal government that before ratification there should be the clearest understanding, in a proper instrument, as to the situation between the government of Canada and the government of British Columbia. There is before both governments a draft agreement. This is now being considered by both governments.

Mr. D. V. Pugh (Okanagan Boundary): May I direct a supplementary question to the Prime Minister? Would the Prime Minister tell the house whether all the points regarding the Columbia river discussed between himself and the President of the United States at Hyannis Port have been put to the premier of British Columbia?

Right Hon. L. B. Pearson (Prime Minister): The matters which were mentioned to the President of the United States as being the kind of changes which would be required to be made to the treaty as it at present stands before that treaty would be acceptable to the present government were all taken up with the premier of British Columbia.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

PROMOTIONS AND WORKING CONDITIONS, PENITENTIARY STAFFS

Question No. 11—**Mr. Winch:**

1. Are promotions on penitentiary staffs made as a result of (a) seniority (b) competitive examinations or (c) both seniority and competitive examination?

2. In 1962 and 1963, have complaints been received relative to working conditions of penitentiary staffs and, if so, what is the nature of these complaints, and what action has been undertaken to consider and correct them?

Mr. Macdonald: 1. Promotions of penitentiary staffs are made in accordance with P.S.R. 1.19, by competition. Written examinations are requested whenever it is considered necessary to test the applicant's technical qualifications and ability. Seniority is taken into consideration only when all other factors are considered equal.

2. In 1962 and 1963, no individual staff complaints were received relative to working conditions of penitentiary staffs. However, the Civil Service Association of Canada made representations about:

(a) alleged deficiencies in security and discipline at Kingston penitentiary. These were investigated and the commissioner, in his six page letter of February 14, 1962, to the national president, C.S.A.C., explained a course of action to rectify any verified deficiencies in security and discipline.

(b) salary differentials between correctional officers (camps) and guards in main institutions. The whole penitentiary service pay structure is now under review by treasury board.

(c) security problems at Dorchester penitentiary. These were fully investigated in January 1962, and corrective action taken by authorizing additional custodial staff.

(d) consultation between the association and the commissioner of penitentiaries. Procedures were adopted to the satisfaction of the association.

(e) salary schedules generally in the penitentiary service. These are now under study by treasury board.

(f) commuting allowances for certain institutions. This is under review by treasury board.

(g) cash payment for overtime. Where it has not been feasible to pay overtime through compensatory time off, cash payments have been made.

(h) uniform issue schedules. This problem has been rectified as quickly as possible through production shop overtime, particularly by Leclerc institution.

(i) perquisites allowed penitentiary officers. Treasury board, in their current review of salary schedules, has been asked to consider the whole question of perquisites.

(j) health of penitentiary officers (contracting tuberculosis). The long standing policy of annual T.B. X-ray surveys for staff and inmates was explained to the national president, Civil Service Association of Canada.

(k) compensation for overtime worked and also compensation for work done on a statutory holiday. Policy in this regard has been under study for some months and it is hoped a directive will be issued soon clarifying this situation.

(l) pensions paid to widows and orphans of officers killed on duty. Changes in current legislation, particularly the Superannuation Act, would have to be made. Preliminary discussions have taken place with treasury board in this connection.

There is continuous liaison with the Civil Service Association of Canada for corrective action of legitimate staff complaints.

(Translation):

PASSES TO M.P.'S FOR AIR TRANSPORTATION

Question No. 36—**Mr. Caouette:**

Does the government propose to increase the number of T.C.A. passes allocated to members of parliament?

Mr. Cantin: This matter has not been considered.

(Text):

COMMITMENTS RESPECTING NUCLEAR WEAPONS

Question No. 62—**Mr. Brewin:**

1. Has the government of Canada found out whether its predecessor entered into any commitment or undertaking with NATO or any government or person involving the use by Canadian forces of nuclear warheads in Europe or in Canada?

2. If so (a) to whom was the commitment or undertaking given (b) what were the terms of such commitment or undertaking (c) was the undertaking explicitly or by implication revocable by the government and under what conditions (d) was the commitment or undertaking in writing and what was the nature of the document (e) by whom was it given or made, and with what authority (f) what was the date of such commitment, if any, or the ratification thereof by the former government of Canada?

Mr. Martin (Essex East): 1. Yes.

2. (a), (b), (c), (d), (e), (f):

In respect of Canadian forces in Europe the undertakings arise out of NATO processes. NATO does not enter into formal agreements or treaties with member nations regarding their military contributions. The military authorities of the alliance set certain requirements and individual countries determine what contributions they will make toward meeting those requirements. The whole process is accomplished by direct discussions with the NATO commanders concerned and is confirmed in an annual review process which is secret.

The acquisition of the Honest Johns and the CF-104's and the roles planned for them were the subject of this process in 1958 and 1959 respectively.

In respect of Canadian forces in Canada the undertakings arise out of allocations made by Canada in fulfillment of the NORAD agreement.

On September 27, 1961, Canada concluded an agreement with the United States providing for improvements in the continental air defence system in Canada. This included the establishment of Bomarc squadrons in Canada. There was no specific reference to the armament to be provided for the Bomarcs but no conventional warhead was ever developed for the Bomarc "B", the type planned for siting in Canada and ultimately installed. It was understood by the government of the day that the Bomarc anti-aircraft missile, to be effective, would require nuclear warheads (cf. Prime Minister, *Hansard*, January 18, 1960, page 73).

On June 12, 1961, an agreement was concluded with the United States whereby Canada was furnished with 66 F-101B (Voodoo) interceptor aircraft. The agreement specified that the armament was to be mutually agreed and the aircraft as delivered was designed to carry a mixed armament of nuclear and conventional rockets. Only the conventional armament has been acquired although it was known to the government of the day that without their nuclear rockets the aircraft were not fully armed.

(Translation):

ST. ISIDORE DE DORCHESTER—POST OFFICE CONSTRUCTION

Question No. 81—**Mr. Boutin:**

Does the Postmaster General intend to act upon the request made by the population of St. Isidore de Dorchester that construction work on the new post office in that parish be suspended permanently?

Mr. Badanai: Yes. Action was taken at the request of the people of St. Isidore de Dorchester and construction work on a new post office has been suspended. The order to stop work was issued on April 24, 1963, and a settlement with the contractor is now being negotiated.

(Text):

*MAINTENANCE OF SAINT JOHN RIVER WHARVES

Question No. 87—**Mr. Fairweather:**

Upon what wharves on the Saint John river and its tributaries is it proposed to spend public funds for either maintenance, rebuilding or repair in 1963?

Mr. Badanai: Repairs to the wharf at Wickham, Queens county, N.B., which were commenced last year, will be completed this summer.

There is of course the possibility of emergency damage making other repairs necessary, but this cannot be foreseen at the present time.

PUBLIC WORKS PROJECTS, PARRY SOUND-MUSKOKA RIDING

Question No. 92—**Mr. Aiken:**

Does the government plan to proceed with the following previously approved public works projects in Parry Sound-Muskoka riding (a) public building at Britt, Ontario (b) new wharf at Caribou lake, Ontario (c) wharf repairs at lake Cecebe (d) new wharf at McKellar, Ontario (e) new wharf at Skelton bay, lake Rosseau (f) new wharf at Wahwashkesh?

Mr. Badanai: (a) No. Due to the high cost of a suitable site, this project had to be deleted from the 1962-63 winter works program.

(b) No. A new wharf was not previously approved at Caribou lake nor is it being considered at the present time.

(c), (d), (e) and (f) These items are under consideration.

(Translation):

BEAUCEVILLE, QUE., POST OFFICE

Question No. 115—**Mr. Perron:**

Has a contract been awarded for the construction of a post office in Beauceville and, if so, who was awarded the contract and what was the amount of the tender?

Mr. Badanai: Not as yet although tenders have been received and a recommendation made to the treasury board.

(Text):

NEW CHARLES CAMSELL HOSPITAL, EDMONTON

Question No. 124—**Mr. Lambert:**

Has any decision been arrived at to continue with the plans for the ultimate construction of a new Charles Camsell hospital in Edmonton and, if so, when is it anticipated that final plans may be completed and tenders called?

[Mr. Boutin.]

Mr. Haidasz: As this is a matter of government policy any announcement will be made by the government at the appropriate time.

(Translation):

POINTE AU PIC—WHARF REPAIRS

Question No. 128—**Mr. Belanger:**

Does the government intend to proceed in the near future with the repairs to the Pointe-au-Pic wharf in Charlevoix county?

Mr. Badanai: Yes. A contract has been awarded for repairs involving the replacement of fenders on this wharf; that work will be completed this summer. In addition small maintenance repairs have been authorized and will be carried out shortly.

(Text):

EXPENDITURES ON LIQUOR, CIGARETTES AND HEALTH RESEARCH

Question No. 130—**Mr. Mather:**

1. What was the amount spent at retail level in Canada during 1960, 1961 and 1962 on liquor and cigarettes?

2. What was the estimated amount spent in Canada during the same period on health research?

Mr. Dupuis: 1.

	1960	1961
	millions of dollars	
Personal expenditure on tobacco products and smokers' accessories	702	719
Personal expenditure on alcoholic beverages	899	921

1962 data not available.

2. Approximate expenditures for health research by the Department of National Health and Welfare only for the fiscal year 1960-63 were as follows:

1960-61, $5,222,000; 1961-62, $5,489,000; 1962-63, $5,736,000; including extramural grants and intramural research.

Total federal government expenditures on medical research for 1961-62 were estimated by the Glassco commission (vol. 3, page 234) at $11,024,000, including the 1961-62 item above.

Other expenditures on health research in Canada are made by provincial governments, by universities, by voluntary agencies, and by industrial laboratories. The latest figure available resulted from a direct survey in 1957 and showed an estimated allocation at that time of $4,735,000 from other than federal government sources.

REVISION OF BUILDING CODE RESPECTING EARTHQUAKE DESIGN

Question No. 141—**Mr. Scott:**

Has the government taken note of published reports that major Canadian cities are all in active

earthquake regions, and, if so, is the national building code being revised to take in all variables involved in the problem of earthquake design?

Mr. Drury: The national building code of Canada 1960 includes proper provisions for earthquake design of structures throughout Canada in accordance with internationally recognized standards. A supplement to the code suggests the degree of intensity of earthquake shock that is a possibility in different areas in this country based on existing records. This latter information is prepared for the national research council and its associate committee on the national building code by the staff of the dominion observatory. A complete review of all records of all earthquakes in Canada is now approaching completion. When this further information is available the existing references in the national building code and its supplement will be revised accordingly if necessary.

*CONTAMINATION OF WATERWAY SYSTEMS BY RAW SEWAGE

Question No. 144—**Mr. Rynard:**

1. In view of the great increase of boats and people on the Trent and other waterway systems, and the increasing pollution of our waterways, is the Department of Transport considering providing sewage disposal systems for the increasing number of large cabin cruisers using such waterways?

2. Are there any regulations requiring cabin cruisers to have installed facilities which would prevent the contamination of waterways by raw sewage?

3. If no such regulations exist, is the department giving consideration to making such regulations?

Mr. Cantin: 1. The Department of Transport is presently installing flush toilets for the public at many canal lock stations and where flush toilets are not being installed earth toilets are being provided.

In addition, signs have been erected at all lock stations on the Trent and Rideau canals requesting the boating public to dispose of garbage in the drums provided and to use onshore toilet facilities wherever available.

2. There are no Department of Transport regulations requiring cabin cruisers to have installed facilities which would prevent the contamination of waterways by raw sewage.

3. The department is presently investigating the availability of suitable apparatus for installation on cabin cruisers for the purpose of containing raw sewage for ultimate disposal or its treatment by chemicals.

POST OFFICE CONSTRUCTION, NOVA SCOTIA

Question No. 152—**Mr. Kennedy:**

Is it the intention of the government to proceed with the construction of standard post offices this year at (a) Debert (b) Walton (c) Lantz, in Nova Scotia?

Mr. Badanai: (a) This project is being considered but no decision has been reached.

(b) and (c) No, as these are revenue post offices and the postmaster is responsible for the provision of postal accommodation under his terms of employment.

PICTOU, N.S.—RAIL FACILITIES FOR NEW PIER

Question No. 153—**Mr. MacEwan:**

Has the government received any submissions by the town council and the board of trade of the town of Pictou protesting the filling in of the indentations for rails on new pier C and, if so, what action does the government intend to take in order to give adequate rail facilities on the new pier?

Mr. Badanai: Yes, such submissions have been received. The installation of rail lines on pier C is the responsibility of the Canadian National Railways and the Department of Public Works made provision for the installation of single lines on each side of the structure by leaving indentations in the concrete deck. The railway company has placed rails on the south side of the pier extending just past the outer end of the warehouse. The remaining indentations are being temporarily filled with oiled sand topped with asphalt to remove the hazard of open indentations to vehicular traffic on the structure. This filler material can be easily removed should additional rails be provided.

REPUDIATION OF PROVINCIAL LEGISLATION BY SUPREME COURT

Question No. 154—**Mr. Caouette:**

Has any provincial legislation been repudiated by the Supreme Court of Canada and, if so, in what years did this arise, and which provinces were involved?

Mr. Macdonald: This information is not available in the Department of Justice. The statistics sought may be obtained by an examination of the supreme court reports, which are available to the hon. member.

(Translation):

TRANS-CANADA HIGHWAY EXPENDITURES IN QUEBEC

Question No. 156—**Mr. Langlois:**

1. What amount has been spent by the federal government for the trans-Canada highway in the province of Quebec since the inception of the work?

2. What additional amount is to be spent for that purpose until the work is completed?

Mr. Badanai: 1. $12,324,788.76.

2. The estimated cost of the works now being carried out under the agreement is $49,407,787.99. The fraction of that amount that will be paid by Canada is estimated at $31,223,185.41. No estimation of the cost of additional works that the province will undertake will be available until the province has worked out its planning and execution projects.

Questions

PLESSISVILLE, QUE.—POST OFFICE CLOSING

Question No. 161—**Mr. Langlois:**

1. On what date was the post office closed at Plessisville, Megantic county, P.Q., and for what reasons?
2. Would it be possible to have this post office reopened?

Mr. Denis: 1. Being unable to find a postmaster, the department closed the Plessisville sub-office No. 1 on July 10, 1962. All efforts to find a suitable person for the job of postmaster had brought no result.

2. A new search is now under way along that line.

(Text):

AIRPORT CONSTRUCTION PROGRAM, FREDERICTON, N.B.

Question No. 167—**Mr. MacRae:**

Is it the intention of the government to proceed this year with the construction of a new terminal building, a fire station, and a garage at the Fredericton airport?

Mr. Cantin: It is intended to proceed with the work; tenders will be called this month for a terminal building and a combined maintenance garage and fire hall.

RECOMMENDATIONS OF FAUTEUX COMMISSION

Question No. 171—**Mr. Orlikow:**

Has the government yet decided when they will implement the recommendations of the Fauteux commission that the federal government assume the responsibility for prisoners sentenced to one year or more?

Mr. Macdonald: The present building program of the penitentiary service is designed to accommodate those inmates who are sentenced to two years or more imprisonment. When sufficient accommodation is in sight for the inmates who are already the responsibility of the federal government, talks will be resumed with the provincial government concerning the implementation of the Fauteux commission's recommendation that the federal government assume the responsibility for prisoners sentenced to one year or more.

FINANCIAL OBLIGATIONS TO UNITED NATIONS

Question No. 173—**Mr. Pigeon:**

1. What member countries currently meet their financial obligations to the United Nations?
2. What member countries have failed to meet their financial obligations to the U.N., indicating the amount and term of arrears for each?

Mr. Martin (Essex East): The answers to these questions are contained in a statement on the collection of contributions from member states as at 30 April 1963 published by the United Nations secretariat in document number ST/ADM/SER.B/172. The following three tables list arrears in contributions with respect to the regular budget of the United Nations, to the United Nations emergency force special account, and to the Congo ad hoc account. They do not include the member states admitted to the organization at the seventeenth session of the general assembly since their assessments for 1962 have not yet been established. Furthermore, invoices, when received, for services rendered in connection with the contingents provided by certain states to UNEF and ONUC will be set off against the unpaid contributions of those states.

[Editor's note: For tables referred to above, see appendix "A".]

(Translation):

TERM OF OFFICE OF C.N.R. PRESIDENT

Question No. 174—**Mr. Pigeon:**

On what date will Mr. Donald Gordon's term of office as president of the Canadian National Railways expire?

Mr. Cantin: Pursuant to the provisions of section 10 of the Canadian National-Canadian Pacific Act 1936 (repealed by the Canadian National Railways Act, chapter 29, Statutes of 1955), Mr. Donald Gordon was appointed president of the Canadian National Railway Company by its board of directors, such appointment being approved by the Governor in Council, effective January 1, 1950. The appointment is not for any specified term, but in accordance with the said statutes the chief executive officer holds office "during the pleasure of the directors". The normal retirement under company rules is at age 65. Coincident with the appointment as president effective January 1, 1950, and in accordance with the Canadian National-Canadian Pacific Act 1936, the Governor in Council appointed Mr. Gordon a director and chairman of the board. Directors are appointed for three year terms. Mr. Gordon's current appointment as director dates from October 1, 1960, to September 30, 1963, by Order in Council P.C. 1961-1382, dated September 27, 1961.

(Text):

TRANS-CANADA HIGHWAY

Question No. 176—**Mr. Kennedy:**

1. What is the total mileage of federally approved trans-Canada highway routes in each province?
2. What mileage is now completed in each province under this joint cost sharing arrangement?

Mr. Badanai: 1.

Province	Miles
Newfoundland	540
Prince Edward Island	71
Nova Scotia	318
New Brunswick	390
Quebec	399
Ontario	1,453
Manitoba	309
Saskatchewan	406
Alberta	282
British Columbia	552
Total	4,720

2.

Newfoundland	172
Prince Edward Island	71
Nova Scotia	119
New Brunswick	213
Quebec	9
Ontario	1,021
Manitoba	309
Saskatchewan	406
Alberta	281
British Columbia	469
Total	3,070

INGONISH FERRY, N.S.—WHARF REPAIRS

Question No. 182—**Mr. Muir (Cape Breton North and Victoria):**

1. Were tenders recently received by the Department of Public Works for repairs to the departmental wharf and freight shed at Ingonish ferry, Nova Scotia, and, if so, what were the names of those who tendered on this work, and the amount of each tender?

2. Has a contract been awarded and, if so, when will this work get under way?

Mr. Badanai: 1. Yes. Only one tender, from Mr. Patrick Williams, was received on February 26, 1963, at a price of $1,336.50.

2. The repairs were not proceeded with at that time because of the severity of the weather which made work impossible. Mr. Williams was asked on May 24 to see if he was still willing to undertake this work at his quoted price. The department is awaiting his reply.

FEDERAL ALLOTMENTS AND EXPENDITURES—B.C. COMMUNITIES

Question No. 189—**Mr. Howard:**

1. For the fiscal year 1962-63 how much money, if any, was (a) allocated (b) spent for each of the communities of Atlin, Lower Post, Telegraph Creek, Stewart, Alice Arm, Kincolith, Greenville, Canyon city, and Aiyansh, and for what projects in the case of each such community?

2. If no money was so allocated, what was the reason in each case?

He said: Mr. Speaker, I wonder whether I might be permitted to withdraw this question for the purpose of rewording it.

Some hon. Members: Agreed.

Order discharged and question withdrawn.

INQUIRIES RESPECTING INDIAN AGENCY SUPERINTENDENTS

Question No. 192—**Mr. Howard:**

Have any inquiries been made into the administration or the conduct or activities of any Indian agency superintendent during either his tenure of office or after it and, if so, what are the names of each such person and the results of any such inquiry?

Mr. Munro: Yes, it is routine departmental procedure to inquire into the administration and conduct and activities of all Indian agency superintendents.

This procedure has been carried on for many years. It would therefore not be possible to provide details with respect to individual persons for such an extended period of time.

FRASER RIVER FLOOD FUND

Question No. 193—**Mr. Howard:**

1. Was any money left unexpended from the fund established for the 1948 Fraser river flood and, if so, how much and in whose possession?

2. What requirements must be met in order that this money may be used for other floods or the results thereof?

Mr. Pickersgill: Mr. Speaker, I wonder if the hon. member is in agreement with me that the information he wants relates rather to the Red river fund than the Fraser river fund. If so, I think it would be quite possible to answer the question, but I cannot answer it today.

Mr. Howard: Mr. Speaker, that is true to an extent. I did not realize that the fund established for the Fraser river flood had been expended. From the explanation of the Secretary of State that the answer could be obtained if the question referred to the Red river fund, in 1950 I believe it was, that would be quite satisfactory.

Question stands.

SALE OF TIMBER OF MASSET INDIANS, B.C.

Question No. 194—**Mr. Howard:**

1. Since July 1, 1962, has any timber of the Masset band of Indians been sold and, if so, how much by species and total acreage?

2. Was the timber sold by bid and, if so, what were the names and addresses of the various bidders and the amount of each bid?

3. In what manner, and by what stages, will the band receive the money for this sale, and for what purposes will this money be used?

Mr. Munro: 1. Yes, 308 acres with an estimated volume of 16,500 C c.f. of hemlock and 10,500 C c.f. of spruce.

2. Yes, Flamingo Construction Ltd., Prince Rupert, B.C., bid $3.52 per C c.f. for hemlock and $5.76 per C c.f. for spruce. Cattermole-Tretheway Contractors, Ltd., Vancouver, B.C., bid $3.30 per C c.f. for hemlock and $5.10 per C c.f. for spruce. The tender of Flamingo Construction was the higher and was therefore accepted.

3. Money will be received from timber dues and deposited into band funds as the wood is cut, over a period of three years. The proceeds will be used for various projects as may be recommended by the band council.

REQUEST FOR VOCATIONAL TRAINING BY FRANK EDGAR

Question No. 195—**Mr. Howard:**

1. Since January 1, 1960, did one Frank Edgar of Masset, British Columbia, apply or otherwise ask, to attend a vocational or technical training school and, if so, what answer was given to him by (a) the superintendent of the Queen Charlotte Indian agency or (b) any other person?
2. If Mr. Edgar's application or request was turned down, what was the reason therefor?

Mr. Munro: 1. Yes. During the spring of 1962, Mr. Frank Edgar approached the Queen Charlotte office regarding the possibility of training in auto mechanics at the Vancouver vocational institute. He was requested to obtain a letter from the local mechanic with whom he had been working; he was also asked to submit a medical report in order that these might be forwarded to the Vancouver vocational institute along with his application. However, he did not obtain the letters referred to nor did he return to the agency office to discuss the matter further.

2. Not applicable.

*LAKE UNION AIR SERVICE LICENCE

Question No. 200—**Mr. Howard:**

1. Since January 1, 1959, has Lake Union Air Service had any licence to operate an aircraft cancelled or suspended, and, if so, upon what dates, for what reason, was any other penalty imposed and, if so, what?
2. Was that licence subsequently restored or reissued and, if so, when?

Mr. Cantin: Mr. Speaker, in reply to part 1, the answer is yes. The licence of Lake Union Air Service was suspended by board order No. 2592 dated August 19, 1960, for exercising cabotage rights within Canada in contravention of condition No. 7 of its licence No. 85 dated September 2, 1955.

A $600 penalty was levied under the Customs Act because a Cessna 180 aircraft of this firm had entered Canada on or about August 4, 1960, under an AG2 form covering aircraft used for "health and pleasure" whereas the aircraft was actually being used in commercial operations.

[Mr. Munro.]

With respect to part 2, licence was reinstated by board order No. 2706 dated January 5, 1961.

TRAINING PROGRAM FOR CORRECTIONAL INSTITUTION STAFFS

Question No. 206—**Mr. Orlikow:**

Is the government planning a new accelerated training program so that when the new correctional institutions, which it has announced are to be built, are ready, there will be a trained professional staff available to man these institutions?

Mr. Macdonald: Yes. The staff training program of the penitentiary service is being expanded to train the officers needed for the new correctional institutions.

U.N. PETITION RECOMMENDING BIRTH CONTROL

Question No. 208—**Mr. Pigeon:**

What are the names and addresses of the Canadian citizens who recently signed and submitted to the United Nations a petition recommending birth control?

Mr. Martin (Essex East): The government has had no information concerning a petition recommending birth control submitted to the United Nations by Canadian citizens. The government, however, would not necessarily be aware of such a petition if it were submitted to the United Nations by private persons.

URANIUM—EFFECT ON CANADA OF U.S. DECISION

Question No. 212—**Mr. Scott:**

1. What will be the effect on the Canadian uranium industry of the United States decision to rely on domestic sources of uranium?
2. Will any areas of Canada be more particularly affected than others and, if so, what will be such regional effects?
3. Will such U.S. decision result in a cut-back in Canadian production to about 1,000 tons a year from the peak of 15,000 tons in 1959?
4. What preparations are being made to deal with the dislocations likely to take place in the uranium industry in Canada?

Mr. Benidickson: 1. The United States has not made a definite decision to rely on domestic sources of uranium. The general demand for uranium in the western world has fallen and it has been necessary to close mines not only in Canada but also in the United States, South Africa, Australia, Portugal and elsewhere.

At the moment domestic production in the United States is more than sufficient for their national requirements. This condition will last until the late sixties when it is expected that there will be an increase in the western world's requirement for uranium, and the U.S. needs may then exceed local production.

2. No one area in Canada will be affected relatively more than another. The firm contracts now held for delivery of uranium to

the U.S. atomic energy commission and the U.K. atomic energy authority terminate on different dates, which will cause closure of mines earlier in some areas than in others. The varying closing dates are due to the time of the signing of the original contracts and to the efforts that some companies have made over the last three years to stretch out their operations.

3. Canadian production of uranium will drop to less than 2,000 tons by 1967 unless new contracts are written, but this is due to the termination of the firm contracts written a number of years ago and not to a recent decision.

4. The Canadian government is urgently examining the effect of the closures of the uranium mines on the communities directly concerned.

LIABILITY INSURANCE FOR COMPANIES USING ATOMIC ENERGY

Question No. 213—**Mr. Scott:**

1. Has the Canadian nuclear industry requested the government to provide liability insurance of up to $100,000,000 for privately owned companies engaged in the commercial use of atomic energy and, if so, by whom were they made, on behalf of which private companies, and in what total amount?

2. What was the response of the government, if any, to such requests?

Mr. Benson: 1. No.

2. Answered by (1) above.

FEDERAL POLICIES RESPECTING URANIUM INDUSTRY

Question No. 215—**Mr. Crouse:**

1. Is the government giving urgent consideration to action which would make it practicable to avoid the early closing of the Milliken lake uranium mine?

2 Is there an agreement between Rio Algom Mines Limited and the government and, if so, what are the terms of such agreement?

3. What is the nature of the government's long term policies to ensure the future development of the uranium industry?

Mr. Pepin: 1. The government is urgently considering the effects of the closing of the Milliken lake mine. It is too early as yet to make any positive statement.

2. Eldorado Mining and Refining Limited, the crown owned company that acts as the government's agent in the buying and selling of uranium, has a firm contract with Rio Algom Mines Limited for the purchase of a fixed quantity of uranium, subject to a definite schedule of deliveries and prices, but as this is a contract in which a private company is concerned, it is not deemed to be in the public interest to reveal the terms of the contract other than that the uranium purchased under the contract is immediately sold at identical prices to the U.S. atomic energy commission and to the U.K. atomic energy authority.

3. The demand for uranium will decrease until the late sixties, at which time a gradual increase in the western world's needs will become effective, but it will probably be into the early seventies before Canada's present developed potential for the production of uranium can be fully exercised. Policy decisions will be announced at the appropriate time.

HEALTH PROGRAM STUDIES, N.S.

Question No. 216—**Mr. Crouse:**

1. Has a federal government grant of $27,000 been approved for a study of the administration and health program of the city of Halifax, and are grants on a pro rata basis to be made to Lunenburg, Bridgewater, and Liverpool, Nova Scotia?

2. Are similar grants to be made to all the cities in Canada?

Mr. Haidasz: 1. At the request of the province of Nova Scotia $21,700 has been approved under the terms of the national health grants for the fiscal year 1963-64 to assist the province with the costs of a study of the health program of the city of Halifax department of health.

To date, no request has been received for assistance under these grants with the costs of studies in Liverpool, Bridgewater and Lunenburg, Nova Scotia.

2. Similar projects have not been received to date in this fiscal year on behalf of other cities.

OVERDUE FEDERAL PAYMENTS

Question No. 217—**Mr. McMillan:**

As of March 31, 1963, what federal payments were overdue and still outstanding (a) in respect to any cost sharing or other arrangements with the provinces (b) in unpaid grants including those for new hospitals or other construction (c) in payments overdue to any contractors on government projects (d) in grants to municipalities in lieu of taxes (e) all other payments overdue but not included in the above?

Mr. Pickersgill: Mr. Speaker, I believe the hon. member for Welland is agreeable to withdraw this question for rewording.

Mr. McMillan: That is correct.

Some hon. Members: Agreed.

Order discharged and question withdrawn.

INCOME TAX EXEMPTION FOR LAND IMPROVEMENT AND PROTECTION

Question No. 224—**Mr. Mather:**

Has the government given consideration to allowing, as deductible expense on income tax, the expenses of (a) picking rocks and roots and levelling on cultivated land (b) land protection works undertaken in combating river bank farmland erosion and/or farmland flooding?

Mr. Benson: Various requests for extending deductions for income tax purposes are studied during the review of taxes preceding the presentation of the budget and decisions are made known when the budget is presented or amendments to the Income Tax Act are introduced.

THRESHOLD OF RADIOACTIVITY

Question No. 228—**Mr. Scott:**

1. Is there a threshold of radioactivity below which the individual escapes scot-free and, if so, what is such level?
2. Does the government have a radiation protective guide such as that set out by the federal radiation council of the U.S.A. and, if so, what are its provisions?

Mr. Haidasz: 1. In general, it has been found that the effects caused by radiation decrease as the amount of radiation exposure decreases. However, scientists have not been able to establish whether or not there is a threshold, i.e. a very low level of radiation below which there are no effects.

2. The recommendations of such authorities as the international commission on radiological protection are normally used.

IODINE 131 LEVELS IN MILK

Question No. 229—**Mr. Scott:**

1. Does the government conduct studies analyzing whole milk for iodine 131 levels and, if so, how many locations are involved in such studies, and where are they located?
2. How frequently are such studies conducted?
3. What were the levels shown of iodine 131 in whole milk for each location in the year 1962?

Mr. Haidasz: Mr. Speaker, parts 1 and 2 of this question have been answered, but as the tables which are included in the answer to the third part of this question are very lengthy, I should like consent of the house to have these tables made an order for return, and I am prepared to table the return now.

Some hon. Members: Agreed.

Mr. Speaker: By consent, order for return tabled herewith.

STRONTIUM 90 LEVELS IN MILK

Question No. 230—**Mr. Scott:**

1. What methods are used by the government to establish the level of strontium 90 in milk?
2. How many samples are taken, in what parts of the country, and how frequently are they taken?
3. Do such studies show any hot spots and, if so, where are they located?
4. Are any such studies carried out for raw and processed foods and, if so, what is the nature of such studies?

Mr. Haidasz: 1. By collecting samples of whole milk from a network of sampling localities across Canada, and analysing them in laboratories in Ottawa.

[Mr. Mather.]

2. Samples are taken three times a week at 16 locations. Composite samples from each location are analysed once a month. The locations are Calgary, Edmonton, Fort William, Fredericton, Halifax, Montreal, Ottawa, Quebec, Regina, Saskatoon, Sault Ste. Marie, St. John's, Vancouver, Winnipeg and Windsor.

3. No.

4. With regard to raw foods the radiation protection division analyses milk and wheat regularly. For wheat, the amount of strontium 90 is determined; for milk, the amount of strontium 90, strontium 89, iodine 131 and cesium 137.

CRESTS OF MILITARY COLLEGES

Question No. 233—**Mr. Matheson:**

What is the emblazonment of the crests, and what are the authorities for same, of the College Militaire Royal de Saint-Jean and the Royal Military College of Canada?

Mr. Hellyer: The coat of arms in use by the Royal Military College of Canada is the coat of arms of the Canadian services colleges. It was designed at ministerial direction and approved by defence council in 1950.

This coat of arms incorporates the crest of the Royal Military College coat of arms, which was awarded by His Majesty King George V in 1920 and never retired.

The crest consists of an arm in armour, embowed, gauntleted holding a sprig of three maple leaves and ensigned by the imperial crown. The emblazoned motto is "Truth—Duty—Valour" on the Royal Military College coat of arms, and in modern French "Vérité—Devoir—Vaillance" on the College Militaire Royal coat of arms.

FORT NELSON, B.C. AIRPORT

Question No. 234—**Mr. Leboe:**

What is the planned schedule of work to be done in the Fort Nelson airport?

Mr. Cantin: The Department of Transport has approval in principle to rebuilding runway 02-20, the associated taxiway and aircraft parking apron including lighting revisions at Fort Nelson airport. It is planned to commence construction this summer and complete the project in 1964.

HIGHWAY CONSTRUCTION, JASPER PARK

Question No. 235—**Mr. Leboe:**

Has the government given consideration to the construction of the highway west of the town of Jasper in Jasper national park and, if so, when will the work commence?

Mr. Laing: This project has been considered, and some preliminary work has been done, but no date has yet been set for beginning the reconstruction.

PAVING OF ALASKA HIGHWAY

Question No. 236—**Mr. Leboe:**

Does the government intend to proceed with a program of reconstruction and paving of the Alaska highway within Canada in the next year and, if so, will this depend on an arrangement with the government of British Columbia?

Mr. Hellyer: No, Mr. Speaker.

DISTRIBUTION OF MILK IN SCHOOLS

Question No. 238—**Mr. Mather:**

Is consideration being given by the government toward furthering the adoption of a policy of assisting the provinces in a program for the distribution of milk in schools?

Mr. Beer: As indicated at the time of the recent announcement of "dairy policy", consideration is being given toward providing assistance to school milk programs.

(Translation):

T.C.A.—INCLUSION OF FRENCH NAME ON AIRCRAFT

Question No. 241—**Mr. Côté (Chicoutimi):**

Will the words "Air Canada" be added to the inscription "Trans-Canada Air Lines" which appears on aircraft flown by that crown corporation?

Mr. Cantin: This matter is being considered by the board of directors of Trans-Canada Air Lines as there are both technical and legal problems involved.

(Text):

*C.N.R.—INCREASED PENSIONS FOR RETIRED EMPLOYEES

Question No. 244—**Mr. Knowles:**

Is the government giving consideration to the taking of the necessary steps to provide for an increase in the pensions of former employees of the Canadian National Railways who were retired prior to April 1, 1962?

Mr. Cantin: Mr. Speaker, as indicated by the Prime Minister in answering a question by the hon. member for Winnipeg North Centre on orders of the day on May 30, this matter will be given consideration.

TRAINING FACILITIES UNDER VOCATIONAL TRAINING ACT

Question No. 245—**Mr. Latulippe:**

Does the government intend to continue the provisions of the Technical and Vocational Training Assistance Act under which it contributes toward the cost of providing training facilities, and will agreements signed with the provinces be extended beyond their termination dates?

Mr. Byrne: Yes, subject to review from time to time. The present agreements terminate on March 31, 1967; the extension beyond this termination date will be considered at the appropriate time.

Questions

(Translation):

ROAD AND PARK CONSTRUCTION, QUEBEC

Question No. 246—**Mr. Latulippe:**

Is it the intention of the government to subsidize the construction of belt roads and parks in the vicinity of certain lakes in order to stimulate the tourist industry and relieve unemployment and, if so, will such a program include the Megantic lake area which is part of a tourist region requiring development?

Mr. Turner: Under the roads to resources program, the federal government shares in the cost of certain roads being built for the development of resources, including those related to the tourist industry. It pays also part of the improvement of picnic and camping grounds along the trans-Canada highway.

It is up to the provinces to initiate such projects and works under those programs. No proposal has been received from the province of Quebec concerning the development of the Megantic lake area.

(Text):

UNEMPLOYMENT FIGURES, COMPTON-FRONTENAC CONSTITUENCY

Question No. 248—**Mr. Latulippe:**

1. What is the total number of unemployed persons in the constituency of Compton-Frontenac?

2. How many persons paid unemployment insurance on the last date for which figures are available (a) on a monthly basis (b) on a yearly basis?

Mr. Byrne: 1 and 2. This information not available.

ADJUSTMENT OF FAMILY ALLOWANCES

Question No. 250—**Mr. Latulippe:**

Does the government intend to adjust family allowances to the cost of living and, if so, in what proportion?

Mr. Haidasz: As this is a matter of government policy any proposed legislation would be announced by the government at the appropriate time.

NEW TELEVISION ANTENNA, STATION CBWT, WINNIPEG

Question No. 254—**Mr. Stefanson:**

1. Did the B.B.G. approve a C.B.C. application for an increase in the effective radiated power, a change in channel, and a change of antenna site, of station CBWT, Winnipeg, Manitoba?

2. If so, when was approval given and what changes are proposed in regard to video, audio, channel and antenna?

3. What site was chosen for the location of the new antenna; when was the property purchased, from whom, and at what cost?

4. Were any other sites considered?

5. (a) What is the total estimated cost of the project? (b) what is the estimated cost of the building proposed at the new site?

Questions

6. When is this work scheduled to be completed and change of channel to be effective?
7. What is the estimated cost to viewers for changes of antenna resulting from change of channel (a) on a per house basis (b) total cost for the interlake area (c) total cost for Manitoba?
8. Is there any guarantee that these changes will improve television service for the interlake area especially for areas like Riverton, Arborg, Fisher Branch, Hodgson, Eriksdale and Ashern (Ashern, at present, gets neither Winnipeg nor Yorkton)?
9. Should these changes fail to bring about an improvement in television viewing for the interlake area, what action will the B.B.G. or the C.B.C. take?

Mr. Pickersgill: Mr. Speaker, I am reluctantly asking to have this question stand, but I can assure the hon. member that in view of the name of one place mentioned in it I will make the inquiries as rapidly as possible.

Question stands.

TRADE MISSION TO HONG KONG

Question No. 255—**Mr. Hamilton:**

1. When did the trade mission leave for Hong Kong?
2. What are the names of those on the mission?
3. What position, in what department or board does each person hold?

Mr. Pepin: 1. The Canadian wheat board mission left for Hong Kong on May 30, 1963.

2 and 3. The composition of the mission is: Mr. D. H. Treleaven, London manager of the Canadian wheat board. Mr. V. L. Chapin, assistant director, international trade relations branch, Department of Trade and Commerce. Mr. M. Sakellaropoulo, assistant director, international economic relations, Department of Finance. Mr. L. C. Howey, assistant chief dominion customs appraiser, Department of National Revenue. Mr. R. K. Thomson, senior Canadian government trade commissioner, Hong Kong.

INTERNATIONAL COFFEE AGREEMENT

Question No. 256—**Mr. Hamilton:**

1. What nations have signed the five year international coffee agreement?
2. On what dates did each nation sign?
3. Which of these nations are classified as importing nations?
4. Have any nations made reservations or provisional accessions to this agreement and, if so, what are the reservations or the terms of the provisional accession in each case?

Mr. Pepin: 1, 2 and 3.

INTERNATIONAL COFFEE AGREEMENT SIGNATURES

Importers	Date
Argentina	Sept. 28/62
Australia	Nov. 23/62
Austria	Nov. 23/62
Belgium	Sept. 28/62
CANADA	Oct. 16/62
Chile	Nov. 30/62
Denmark	Nov. 29/62
Fed. Rep. of Germany	Nov. 19/62
France	Sept. 28/62
Italy	Sept. 28/62
Japan	Sept. 28/62
Lebanon	Oct. 12/62
Luxembourg	Nov. 20/62
Netherlands	Nov. 30/62
New Zealand	Nov. 29/62
Norway	Nov. 30/62
Spain	Sept. 28/62
Sweden	Oct. 5/62
Switzerland	Nov. 30/62
U.S.S.R.	Nov. 23/62
United Kingdom	Sept. 28/62
United States	Sept. 28/62
Total:	22

Exporters	Date
Bolivia	Sept. 28/62
Brazil	Sept. 28/62
Burundi	Sept. 28/62
Cameroon	Sept. 28/62
Central African Rep.	Nov. 16/62
Colombia	Sept. 28/62
Congo (Leopoldville)	Nov. 27/62
Costa Rica	Sept. 28/62
Cuba	Nov. 30/62
Dominican Republic	Sept. 28/62
Ecuador	Nov. 28/62
El Salvador	Sept. 28/62
Gabon	Oct. 12/62
Guatemala	Sept. 28/62
Haiti	Sept. 28/62
Honduras	Sept. 28/62
India	Nov. 29/62
Indonesia	Nov. 21/62
Ivory Coast	Oct. 24/62
Madagascar	Sept. 28/62
Mexico	Sept. 28/62
Nicaragua	Oct. 29/62
Nigeria	Nov. 29/62
Panama	Nov. 8/62
Peru	Sept. 28/62
Portugal	Nov. 29/62
Sierra Leone	Nov. 30/62
Kwanda	Oct. 2/62
Tanganyika	Sept. 28/62
Trinidad & Tobago	Nov. 30/62
Uganda	Nov. 21/62
Venezuela	Sept. 28/62
Total:	32

DEPOSIT OF INSTRUMENT OF RATIFICATION

Importers	Date	Exporters	Date
CANADA	Nov. 20/62	Colombia	May 24/63
France	Apr. 4/63	Dominican Rep.	May 8/63
United Kingdom	Apr. 25/63	El Salvador	May 17/63
United States*	May 21/63	Burundi	Dec. 4/62
		Gabon	Nov. 14/62
		Ivory Coast	May 6/63
		Rwanda	Dec. 10/62
		Peru	Apr. 4/63
		Tanganyika	Nov. 27/62
		Uganda	Apr. 16/63

*Ratified but instrument not deposited with United Nations to date.

DEPOSITED NOTIFICATION OF INTENTION TO RATIFY

Importers	Date	Exporters	Date
Argentina	May 15/63	Brazil	Oct. 17/62
Australia	Apr. 3/63	Central African Rep.	Apr. 23/62
Belgium	Apr. 8/63	Cuba	Feb. 1/63
Italy	Sept. 28/62	Ecuador	Apr. 1/63
Netherlands	May 17/63	Guatemala	Mar. 5/63
		Indonesia	Feb. 8/63
		Madagascar	Jan. 29/63
		Mexico	Nov. 26/62
		Nigeria	Mar. 12/63
		Portugal	Apr. 8/63
		Sierra Leone	Feb. 7/63
		Trinidad & Tobago	Nov. 30/62
		Venezuela	Jan. 29/63

4. Under the agreement, no reservations are permitted.

INTERNATIONAL SUGAR AGREEMENT

Question No. 257—**Mr. Hamilton:**

1. Where do negotiations stand on an international sugar agreement?
2. What nations are opposed to agreement on this international commodity?

Mr. Pepin: 1. The 1958 international sugar agreement is to expire December 31st, 1963.

The operative provisions of the present agreement have not been in force since January 1, 1962, owing to the inability of the review international sugar conference to arrive at agreement in Geneva during September and October, 1961. Primarily disagreement stemmed from the insistance of Cuba to be allowed to export a sugar quota in excess of what appeared to the conference to be a realistic figure.

At a meeting of the international sugar council in London during the first week of April, the member governments concluded that it was not possible under present circumstances to negotiate a new agreement with meaningful marketing controls or export quotas. It was, therefore, agreed that, notwithstanding the suspension of the operative provisions of the agreement, it would be desirable to maintain the administrative provisions and to continue the useful work being performed by the international sugar council.

During the first week of July, 1963, the secretary general of the United Nations will convene a short conference in London, England, to establish a protocol prolonging the present international sugar agreement without provisions for export quotas or controls.

The protocol is to prolong the agreement until December 31, 1964, or December 31, 1965, whichever of the dates the conference will decide. This protocol will enter into force on January 1, 1964, provided a sufficient number of member governments sign. Instruments of ratification, acceptance or accession will take effect on the date of their deposit. If it is determined that less than the required number (to be determined by the conference), of countries have become parties to this protocol by January 1, 1964, the governments which have signed, ratified, accepted or acceded to this protocol may agree to put it into force among themselves.

2. In view of the forthcoming meeting in July of the international sugar conference, it is not possible at this time to indicate those nations which are opposed to the international

sugar agreement since such information will not be available until the time that member governments have signed the protocol and indicated their intention to ratify.

*INDIAN POPULATION

Question No. 259—**Mr. Pigeon:**

What is the Indian population (a) of Canada (b) of each of the provinces?

Mr. Munro: (a) 198,220; (b) Prince Edward Island, 363; Nova Scotia, 3,834; New Brunswick, 3,524; Quebec, 22,373; Ontario, 46,172; Manitoba, 26,676; Saskatchewan, 26,483; Alberta, 21,807; British Columbia, 39,784; Yukon Territory, 2,096; Northwest Territories, 5,108.

The foregoing are the population figures as of December 31, 1962.

QUESTIONS PASSED AS ORDERS FOR RETURNS

STUDY OF PROBLEMS OF PROSPECTORS

Question No. 59—**Mr. Fisher:**

1. Has the Department of Mines and Technical Surveys given any consideration to or made any studies of the problems of the prospector; in this case 'prospector' meaning those individuals, not corporations, who scour the nation looking for claims to make on mineral prospects and, if so, what is the gist of the conclusions?
2. If not, is the new minister giving any consideration to legislative acts that would improve the position of the prospector and increase the search for minerals?
3. Has the department ever considered the possibility of grubstaking prospectors in Canada, with or without co-operation of the provincial authorities?
4. Does the department know of any provincial authority which grubstakes prospectors and, if so, which ones and in what ways?
5. Does the department share in the costs of any such provincial program?

Mr. Dupuis: Order for return tabled herewith.

IODINE 131 LEVELS IN MILK

Question No. 229—**Mr. Scott:**

1. Does the government conduct studies analysing whole milk for iodine 131 levels and, if so, how many locations are involved in such studies, and where are they located?
2. How frequently are such studies conducted?
3. What were the levels shown of iodine 131 in whole milk for each location in the year 1962?

*MEMBERS OF NATIONAL CAPITAL COMMISSION

Question No. 253—**Mr. Francis:**

1. Who are the members of the national capital commission?
2. When were they appointed, and when do their terms of office expire?
3. How much was paid, during each of the fiscal years ending March 31, 1963, 1962 and 1961, to each member of the national capital commission as (a) remuneration (b) travel expenses (c) other expenses?

[Mr. Pepin.]

MOTIONS FOR PAPERS

PENITENTIARY RIOTS

Motion No. 1—**Mr. Winch:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house copies of the findings as to the cause of riots in penitentiaries during 1962 and 1963; and instructions issued and policy decisions officially authorized to correct the situation in order to prevent possible recurrence.

Mr. MacNaught: The information asked for in this notice of motion is privileged. Governments over the years have taken the stand that such material should not be produced. However, in view of the riots which took place in the penitentiaries during 1962 and 1963 it might be desirable to make a summary of the causes of such riots. Accordingly, if the hon. member for Vancouver East is prepared to accept this, I shall ask the commissioner of penitentiaries to draw up a summary of such findings as the hon. member refers to concerning the causes of these riots and lay them before this house.

Mr. Winch: I am somewhat surprised at the statement the hon. gentleman has just made because it would appear to me it is not altogether in conformity with my understanding with the Minister of Justice. The Minister of Justice told me with regard to this notice of motion when it appeared on the order paper that because of circumstances known to all cabinet ministers it was not desired to make known publicly certain matters passing between departmental officials. The Minister of Justice saw me yesterday in this House of Commons, but to one side, and gave me to understand that documents concerned in this motion would be made available to me in confidence but that, in addition, there would be filed with this house a report as to the causes of the riots and the action taken to deal with them as far as this information could be made known.

Is the minister now saying that a report will be filed on the lines I have just outlined and then, if I so desire, I may have access on a confidential basis to all documents and reports?

Mr. MacNaught: As far as the first part of the understanding is concerned, a summary will be prepared and filed with the house. As to the latter part, the undertaking by the Minister of Justice that he would allow the hon. member to see documents in confidence, I may say that the Minister of Justice did not tell me of this undertaking. However, I presume that if he told the hon. gentleman such a thing—and he must have told him, or the hon. member would not have mentioned it—he will carry it out.

Mr. Pickersgill: In view of the fact that the Minister of Justice is not here I wonder whether the hon. gentleman would agree to let the motion stand, and have a further conversation with my colleague. I do not think anyone in the house is fully informed on this matter. It would be most agreeable to the government if the hon. gentleman would see fit to follow this suggestion, and the motion would remain on the order paper.

Mr. Winch: No, I would prefer the motion to be put now.

Some hon. Members: Oh, oh.

Mr. Winch: Well, this motion has been on the order paper since parliament met. This information is most urgently desired. I accept what the minister has said as far as the report to the house is concerned, and I shall take my chance with the Minister of Justice regarding my understanding that I may have access to confidential documents. On this basis I believe the motion should now be put, because we want this information quickly.

Mr. Pickersgill: On a point of order, I frankly do not understand whether the hon. gentleman wishes to put his motion on the understanding that the summary is to be filed. If he is doing that it is quite agreeable to the government. If, on the other hand, he wishes to put the motion in the words which actually appear on the order paper, then for the reasons which my colleague the Solicitor General has given to the house it would clearly be impossible for the government to agree voluntarily to comply. But if it is the summary which the hon. member wants, the government would be only too happy to make it available. I am quite certain the Minister of Justice will carry out any undertaking he gave to the hon. gentleman, and I am sure the hon. member himself accepts that understanding as well.

Mr. Winch: I cannot understand why the leader of the house should have risen to speak further on this matter. We want this information as quickly as we can get it. The government has agreed to give us a summary. I will have a conversation with the Minister of Justice later as to the confidential documents which will be supplied.

Mr. Speaker: Do I understand that the motion stands?

Some hon. Members: No.

Mr. Speaker: Is it the pleasure of the house to adopt the motion subject to the reservations or remarks of the minister?

Motion agreed to.

FISHERIES COMMISSION RECOMMENDATION RESPECTING JAPANESE FISHING

Motion No. 2—**Mr. Barnett:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of the recommendation of the international north Pacific fisheries commission in respect to the removal of the provision in the annex to the convention for abstention by Japan from fishing by the Japanese for halibut in the eastern Bering sea and herring in the offshore waters west of the Queen Charlotte islands; and a copy of the notification by the government of Canada to the commission of acceptance of these recommendations; together with a copy of all correspondence exchanged between the government and the commission and/or the government of Canada and the other contracting parties to the convention in respect to these recommendations; and, further, a copy of all correspondence exchanged between the government and other individuals or organizations in respect to these recommendations.

Mr. Robichaud: This is a motion for the production of papers asking, among other things, for a copy of all correspondence exchanged between the government of Canada and the other contracting parties to a fisheries convention in respect of certain recommendations.

The practice has been not to produce confidential exchanges between the government of Canada and the government of another country. Such communications are considered as privileged. Subject to this reservation, however, I am prepared to ask the house to accept the motion.

Mr. Barnett: I am sure all hon. members of the house wish to obtain as speedily as possible information in some detail concerning the subject matter set forth in this motion. I am therefore prepared, if the house is agreeable, to withdraw the words "and/or the government of Canada and the other contracting parties to the convention in respect to these recommendations" on the understanding that I reserve my right, should I so desire, to place as a separate notice of motion on the order paper at a later date the subject matter of the words which I am now prepared to have deleted.

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

Motion agreed to.

NUCLEAR WEAPONS FOR CANADIAN FORCES

Motion No. 4—**Mr. Knowles:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of any documents, communications, correspondence or other papers, dated since June 10, 1957, containing any commitments by the government of Canada to accept or acquire nuclear weapons for Canadian forces.

Mr. Speaker: The hon. member for Winnipeg North Centre.

Mr. Martin: Mr. Speaker—

Mr. Knowles: Winnipeg North Centre?

Mr. Martin (Essex East): I think the practice is that I should intervene now to give the hon. member an opportunity to avail himself of the suggestion I am about to make. I think if the motion were read the house would be seized with the matter.

Mr. Knowles: On a point of order, what is the minister speaking to?

Mr. Martin (Essex East): I am speaking to motion No. 4.

Mr. Knowles: Should the motion not be put first? On a point of order, should the motion not be put before anyone speaks to it?

Mr. Speaker: If hon. members will permit me, I think it is quite usual and customary to allow a minister to make a short statement. If the hon. member is not satisfied then he can, of course, insist on his motion being put.

Mr. Martin (Essex East): I simply want to say to the hon. gentleman—and I bow to him when it comes to knowledge of procedure in the house—but I think he will agree that the statement I have made is correct. However, it has nothing to do with what I am now going to say.

The commitments entered into by the government of Canada to accept nuclear weapons for Canadian forces in NATO and at home are to be found, inter alia, in Canadian submissions under the NATO annual review procedure, in statements made in the Canada-United States ministerial committee on joint defence, and in the records of the discussions in the permanent joint board on defence. These documents include information the release of which could prejudice the national security of Canada and of its allies. It is for this reason that it has never been the practice to produce such documents and I therefore, with great respect, ask the hon. gentleman to withdraw the motion.

Mr. Diefenbaker: There is none such to produce.

Mr. Knowles: Mr. Speaker, the minister was permitted to make a statement before the motion has been put. Perhaps I might be permitted to ask him a question. If it is correct that there are documents which contain commitments and those documents are such that they cannot be tabled without prejudice to the security of the country, would it be possible to prepare a summary of some sort, such as was referred to on an earlier motion, so that the house might have the specific information that there were commitments identified in some particular way. The time and place and the nature of the commitments should be made available to this house.

As the minister knows, it is a matter of some argument whether or not there were commitments. We have had statements made both ways. Now that I have presented a motion that would settle the question I do not think it is satisfactory just to ask to have it withdrawn. Is it possible for a summary of some kind to be prepared that might be brought down in answer to this motion?

Mr. Martin (Essex East): Mr. Speaker, I would be glad to give careful consideration to the request that my hon. friend makes. This is a matter of the greatest importance. It involves cabinet decisions as well. I shall give careful consideration to the question and to the request made by the hon. gentleman.

Mr. Diefenbaker: On the point of order, Mr. Speaker, if there are any documents containing commitments, let them be produced. We are not going to have a situation created whereby the Secretary of State for External Affairs will himself determine his explanation as to the documents in question. Let us have none of these ex parte productions. Either produce the commitments or be quiet about them.

Mr. Martin (Essex East): Mr. Speaker, in view of the statement of the prime minister—

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): —the prime minister as of about two months ago, I simply wish to say that I am sure the house and the country will be greatly surprised that a man who has held the position of prime minister should think it is desirable and in the national interest to reveal documents that involve matters affecting the security of the state.

Mr. Diefenbaker: Mr. Speaker, what I say is that I am not going to take the minister's interpretation of what the commitments are. Let him produce the documents and not give evidence on what he would like to have the house and the country believe is contained in the statements he has.

Mr. Douglas: May I make a suggestion to the Secretary of State for External Affairs. We appreciate the fact that some of these documents may contain information not having to do with the question of commitments about which information is being sought by this motion. Would it not be possible to take extracts from those documents quoting the actual minute or actual words of the commitment? This would not involve other irrelevant material which might have to be withheld for security reasons. Could he not give parliament and the Canadian people

the actual commitments rather than having to depend on a summary? It seems to me that such extracts could be produced without any danger whatsoever of putting the security of the country in jeopardy or of giving information that would be treated as classified.

Mr. Speaker: It is my duty to inform hon. members, or advise them—I think the latter is the better word—that this type of motion is not debatable. I wonder whether the hon. member for Winnipeg North Centre wishes to allow the motion to stand or wishes to withdraw it?

Mr. Pickersgill: I wonder if I might be permitted to say a word.

Some hon. Members: No.

Mr. Pickersgill: Several hon. members have referred to the discussion that has been going on as a discussion on a point of order, and I think it would be the desire of the house to have the discussion completed on that basis. Since a number of hon. members have already been permitted to speak on the basis of a point of order, and since a very important principle is involved, I would hope there would be no objection in any part of the house to having the matter concluded as a point of order if Your Honour would so agree.

Mr. Knowles: Mr. Speaker, I rise because you, sir, put a question to me. I still think we got into trouble by having this debate before the motion was put. However, in reply to your question I am prepared to accept one of two courses; either that the motion be passed subject to the kind of reservation that the minister might wish to make, or that it stand. But in the light of today's discussion I do not think I should be asked to withdraw the motion.

Mr. Martin (Essex East): Subject to my reservation.

Mr. Speaker: In the circumstances I shall put the motion subject to the reservation.

Mr. Churchill: What reservation?

Mr. Diefenbaker: What kind of reservation?

Mr. Martin (Essex East): Mr. Speaker, I have clearly indicated that this information cannot be given for the reasons I have suggested, namely that it involves documents that have to do with the security of the state and also with that of our allies. But I did say we would give consideration to the suggestion made by the hon. member for Winnipeg North Centre and the hon. member for Burnaby-Coquitlam as to the possibility of extracting passages that would meet their request. I have said we would give consideration to that. I did not say we would do it. Obviously this is a matter that must be carefully considered, and that is the position; but with regard to the motion as such, obviously it cannot be allowed to stand.

Mr. Knowles: I understood that the minister was prepared to let the motion pass subject to his reservation. Those are the words the minister used, and I am prepared to accept the reservations he has now made. Obviously if the return that is brought down is not satisfactory I can ask further questions, but it seems to me that as the mover of the motion I have the right to suggest that I am prepared to accept the passing of it subject to the reservations the minister has now made.

Mr. Speaker: Is it the pleasure of the house to adopt the said motion subject to the reservations or remarks of the minister?

Some hon. Members: No.

Mr. Diefenbaker: Not expurgated editions. Produce the record and that is fine.

Mr. Speaker: All those in favour of the motion 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 yeas have it.

And more than five members having risen:

Mr. Speaker: Order. The question is as follows. Mr. Knowles, seconded by Mr. Douglas, moves:

> That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of any documents, communications, correspondence or other papers, dated since June 10, 1957, containing any commitments by the Government of Canada to accept or acquire nuclear weapons for Canadian forces.

—subject to the reservations of the Secretary of State for External Affairs. Those in favour of the motion, please rise.

Mr. Diefenbaker: Mr. Speaker, if I might rise, I suggest that the reservations be included in the motion. It is very important those reservations be there because we are asking for the complete record, not the expurgated record.

Mr. Speaker: The suggestion of the Leader of the Opposition is interesting, but I do think the record speaks for itself and I think the minister should take his own responsibilities and not the Speaker. Therefore unless there is serious objection I propose to put the motion as I have read it. Those in favour of the motion will please rise.

Division

The house divided on the motion (Mr. Knowles) which was agreed to on the following division:

YEAS

Messrs:

Addison	Howe (Hamilton South)
Armstrong	Jewett, Miss
Asselin (Notre Dame de Grace)	Kelly
Asselin (Richmond-Wolfe)	Klein
Badanai	Knowles
Barnett	Konantz, Mrs.
Basford	Lachance
Batten	Laing
Beaule	LaMarsh, Miss
Bechard	Lamontagne
Beer	Lamoureux
Belanger	Langlois
Benidickson	Laniel
Benson	Laprise
Berger	Laverdiere
Boulanger	Leboe
Boutin	Leduc
Brewin	Lessard (Lake St. John)
Brown	Loiselle
Byrne	Macaluso
Cadieux (Terrebonne)	Macdonald
Cameron (High Park)	MacEachen
Cameron (Nanaimo-Cowichan-The Islands)	MacNaught
Cantin	McIlraith
Cardin	McMillan
Caron	McNulty
Carter	McWilliam
Chapdelaine	Marcoux
Côté (Chicoutimi)	Martin (Essex East)
Côté (Longueuil)	Martin (Timmins)
Cowan	Mather
Crossman	Matte
Cyr	Moreau
Davis	Morison
Deachman	Mullally
Denis	Munro
Deschatelets	Nicholson
Dionne	Nixon
Douglas	O'Keefe
Drouin	Olson
Dube	Otto
Dupuis	Ouellet
Emard	Patterson
Favreau	Pearson
Fisher	Pepin
Forest	Perron
Forgie	Pickersgill
Francis	Pilon
Frenette	Plourde
Garland	Prittie
Gauthier	Regan
Gelber	Rinfret
Gendron	Rochon
Girouard	Rondeau
Godin	Rouleau
Granger	Roxburgh
Gray	Ryan
Greene	Sauve
Gregoire	Scott
Groos	Sharp
Guay	Stewart
Habel	Tardif
Haidasz	Temple
Hahn	Thompson
Harley	Tremblay
Hellyer	Turner
Herridge	Wahn
Honey	Walker
Howard	Webster
	Whelan
	Winch—140.

[Mr. Speaker.]

NAYS

Messrs:

Aiken	McBain
Baldwin	McIntosh
Bell	Madill
Bigg	Mandziuk
Cardiff	Martineau
Casselman, Mrs.	Monteith
Chatterton	More
Churchill	Muir (Cape Breton North and Victoria
Clancy	
Coates	Muir (Lisgar)
Cooper	Nasserden
Crouse	Nesbitt
Diefenbaker	Nielsen
Dinsdale	Noble
Doucett	Nugent
Fairweather	Pascoe
Fane	Pigeon
Flemming (Victoria-Carleton)	Rapp
	Rheaume
Grafftey	Ricard
Gundlock	Rynard
Hamilton	Simpson
Horner (The Battlefords)	Smith
Howe (Wellington-Huron)	Southam
	Starr
Irvine	Stefanson
Kindt	Thomas
Korchinski	Valade
Lamb	Vincent
Lambert	Watson (Assiniboia)
Loney	Webb
MacEwan	Willoughby
MacLean (Queens)	Winkler—64.
Macquarrie	

Mr. Balcer: Mr. Speaker, I was paired with the Minister of Justice (Mr. Chevrier). Had I voted, I would have voted against the motion.

Mr. Gordon: Mr. Speaker, I was paired with the hon. member for Digby-Annapolis-Kings (Mr. Nowlan). Had I voted, I would have voted for the motion.

Mr. Cashin: Mr. Speaker, I was paired with the hon. member for Edmonton East (Mr. Skoreyko). Had I voted, I would have voted for the motion.

(Translation):

Mr. Jean Chretien (St. Maurice-Lafleche): Mr. Speaker, I was paired with the hon. member for Berthier-Maskinonge-Delanaudiere (Mr. Paul), otherwise I would have voted for the motion.

(Text):

Mr. McLean (Charlotte): Mr. Speaker, I was paired with the hon. member for Jasper-Edson (Mr. Horner). Had I voted, I would have voted for the motion.

Mr. Hales: Mr. Speaker, I was paired with the hon. member for Calgary South (Mr. Hays). Had I voted, I would have voted against the motion.

Mr. Mackasey: Mr. Speaker, I was paired with the hon. member for Bow River (Mr. Woolliams). Had I voted, I would have voted for the motion.

Mr. Tucker: Mr. Speaker, I was paired with the hon. member for York-Sunbury (Mr. MacRae). Had I voted, I would have voted for the motion.

Mr. Lloyd: Mr. Speaker, I was paired with the hon. member for Melville (Mr. Ormiston). Had I voted, I would have voted for the motion.

Mr. Aiken: On a question of privilege, Mr. Speaker, I voted against the motion on principle, but I was unable to learn, although I heard the whole discussion, what reservation the minister actually made.

Mr. Martin (Essex East): Well, it was stated three times.

Mr. Speaker: Are there any other hon. members who were paired?

REPRESENTATIONS BY UNEMPLOYMENT INSURANCE COMMISSION

Motion No. 5—**Mr. Knowles:**

That an order of the house do issue for a copy of any directives or memoranda on the subject of representations to the Minister of Labour regarding employment issued by the unemployment insurance commission or any official thereof, dated at any time since November 1, 1962.

Mr. MacEachen: Mr. Speaker, in connection with this motion, I am informed by officials of the unemployment insurance commission that directives issued by head office to regional or local offices are for internal use by officers and staff of the commission. In these circumstances I hope the hon. member would consider dropping this motion.

Mr. Knowles: Mr. Speaker, I wonder whether it could stand until I could have a word with the minister.

Mr. Speaker: Agreed?

Some hon. Members: Agreed.

Motion stands.

MANITOBA—RELOCATION OF INDIANS BECAUSE OF POWER DEVELOPMENT

Motion No. 6—**Mr. Knowles (for Mr. Orlikow):**

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 federal government or any agency or branch thereof and any other government, person or organization since January 1, 1959, relating to the proposal by the government of Manitoba or the Manitoba hydroelectric board to move the Indians from their present reserves at Cedar lake and Moose lake to make way for the Grand Rapids power development.

Mr. Pickersgill: Mr. Speaker, I wonder whether, in view of the fact that the hon. member for Winnipeg North (Mr. Orlikow) is not here, and because I understand there are one or two points that it was desired to look into before the position of the government was stated, it would be agreeable to have this motion stood until next week.

Mr. Knowles: Agreed.

Motion stands.

REPORTS BY JOSEPH DREAVER

Motion No. 7—**Mr. Howard:**

That an order of the house do issue for a copy of all reports of Mr. Joseph Dreaver who was employed to survey the Indians of Saskatchewan in respect of their reactions and recommendations concerning the findings of the joint committee of the Senate and House of Commons on Indian affairs.

Mr. Favreau: Mr. Speaker, I understand that it will be agreeable to my hon. friend to let this notice of motion stand until next Wednesday.

Mr. Howard: That is agreeable.

Motion stands.

RECOMMENDATIONS OF NORTH PACIFIC FISHERIES COMMISSION

Motion No. 8—**Mr. Howard:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all correspondence, telegrams and other documents exchanged between the government or any agency or department thereof and any other government, person or organization since January 1, 1962, relating to the recommendation of the international north Pacific fisheries commission that the stock of herring off the west coast of the Queen Charlotte islands and the stock of halibut in the eastern Bering sea each be exempted from the abstention principle contained in the international convention for the high seas fisheries of the north Pacific ocean.

Mr. Howard: Mr. Speaker, a similar motion has been put by my colleague the hon. member for Comox-Alberni (Mr. Barnett) and I would like permission to withdraw my motion.

Mr. Speaker: Agreed?

Some hon. Members: Agreed.

Order discharged and motion withdrawn.

ESTABLISHMENT OF VETERINARY COLLEGE, PRAIRIE PROVINCES

Motion No. 9—**Mr. Douglas:**

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 provincial government, person or organization since January 1, 1961, relating to the establishment of a veterinary college in the prairie provinces.

Mr. Tremblay: Mr. Speaker, this motion is quite acceptable, subject to the reservation that the consent of the governments concerned be obtained to table the correspondence, telegrams and other documents exchanged with this government.

Mr. Speaker: Is it the pleasure of the house to adopt the said motion, subject to the reservation expressed by the minister?

Some hon. Members: Agreed.

Motion agreed to.

INCREASE IN PENSIONS OF RETIRED C.N.R. EMPLOYEES

Motion No. 10—**Mr. Knowles:**

That an order of the house do issue for a copy of all letters and other communications received by the Prime Minister, dated since April 22, 1963, concerning the need for an increase in the pensions of former employees of the Canadian National Railways, retired prior to April 1, 1962, and the replies thereto.

Mr. Pearson: Agreeable.

Motion agreed to.

INCREASE IN PENSIONS OF RETIRED C.N.R. EMPLOYEES

Motion No. 11—**Mr. Knowles:**

That an order of the house do issue for a copy of all letters and other communications recieved by the Minister of Transport, dated since April 22, 1963, concerning the need for an increase in the pensions of former employees of the Canadian National Railways, retired prior to April 1, 1962, and the replies thereto.

Mr. McIlraith: Mr. Speaker, there is no objection to the motion, but I must inform the house that there is no correspondence coming within the terms of the motion, and I wonder whether in view of that fact the hon. member wishes to put the motion.

Mr. Knowles: Mr. Speaker, perhaps it can be withdrawn and I will replace it after the minister has received some of these letters.

Order discharged and motion withdrawn.

CORRESPONDENCE ON SITE OF WORLD FAIR

Motion No. 12—**Mr. Pigeon:**

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 and reports on the site of the 1967 world's fair exchanged between the government and the following other governments or bodies concerned: (a) international joint commission (b) St. Lawrence seaway authority (United States and Canada) (c) St. Lawrence river pilots' association (d) national harbours board (e) Canadian National Railways (f) Quebec hydro (g) city of Verdun (h) Canadian association for the protection of birds (i) Department of Transport (j) town of St. Lambert (k) government of the province of Quebec (l) Canadian world exhibition corporation.

[Mr. Douglas.]

(Translation):

Mr. Deschatelets: Mr. Speaker, I would like this motion to stand and to be called at another sitting.

Mr. Pigeon: Mr. Speaker, I accept this suggestion.

(Text):

Motion stands.

COMMONWEALTH RELATIONS

SOUTHERN RHODESIA—SUGGESTED CONFERENCE OF PRIME MINISTERS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I do not know whether the Prime Minister can answer this question, but if he cannot perhaps he could postpone his answer. Is it anticipated, or have there been preliminary discussions on the matter, that unless an arrangement is arrived at on the question of the independence of Southern Rhodesia a prime ministers' meeting might be held on the political future of that country within the next few weeks?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I have not seen nor heard any suggestion that there should be a prime ministers' meeting on this matter. There have been some exchanges of views between commonwealth governments on the problem arising out of the situation in central Africa, but no suggestion that I know of for a meeting of prime ministers.

Mr. Diefenbaker: Might I ask a supplementary question. When Lord Home, the British foreign secretary was here did he discuss this question—that is, the question of holding such a meeting—with either the Prime Minister or the Secretary of State for External Affairs?

Mr. Pearson: Not with me, Mr. Speaker. I do not know about the Secretary of State for External Affairs.

Hon. Paul Martin (Secretary of State for External Affairs): This matter was not discussed between Lord Home and myself.

FISHERIES

REQUEST FOR NAMES AND DUTIES OF PERSONS SENT TO WASHINGTON

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I wish to direct a question to the Minister of Fisheries. I understood the minister to say yesterday that he thought he would be in a position to give us the names of the delegation which it was proposed to send to Washington in connection with the discussion of fishery treaty subjects within

the next few days, including the names of the two B.C. fishermen who were being appointed as individuals in a consultative capacity. I wonder whether the minister is able to give us that information today.

Hon. H. J. Robichaud (Minister of Fisheries): Mr. Speaker, in replying to the hon. member may I also be allowed to reply to the question addressed to me yesterday by the hon. member for Lake St. John.

(Translation):

The hon. member put to me the following question, as reported on page 1 of the appendix to *Hansard* of June 4, 1963:

Can the minister tell the house the names and duties of the members of the delegation who will go to Washington for next Thursday's conference?

The members of the delegation who will attend the international north Pacific fisheries convention due to open tomorrow in Washington are: Messrs. A. W. H. Needler, deputy minister of fisheries, Samuel Vincent Ozere, assistant deputy minister of fisheries, William M. Sprules, assistant to the deputy minister of fisheries, Keith Stuart Ketchen, of the fisheries research board of Canada, William R. Hourston, regional director of fisheries, Vancouver, John Murdoch Buchanan, of Vancouver, Roger Thompson Hager, of Vancouver, Frederick E. Koshe, of South Burnaby, Karl Giske, of Prince Rupert.

Mr. Jacques Asselin will also attend the convention as representative of the secretary of the Canadian embassy in Washington.

I shall accompany this delegation myself and speak at the first meeting tomorrow in Washington.

(Text):

[*Later:*]

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, I should like to direct a question to the Minister of Fisheries supplementary to the statement he made concerning the delegation that is going to Washington. Yesterday he said he would name the six members of the advisory committee. I wonder whether he would do so now?

Mr. Robichaud: Mr. Speaker, I do not have with me the information concerning the six members of the advisory committee, but I will have it on Friday when I get back from Washington.

SUGGESTED THREAT TO WEST COAST—DISCUSSION OF NORTH PACIFIC TREATY

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Actually, Mr. Speaker, I have two questions which I should like to address to the Prime Minister. In view of the lateness of the hour, perhaps if I tried to make them brief you would allow me to put my questions at this time.

My first question has to do with a statement which the Prime Minister made yesterday announcing the 12 mile fishing zone. He said there were indications also that Canada's west coast fisheries may soon be threatened. I should like the Prime Minister, if he would, to tell us what those indications are.

My second question is this. Is the Prime Minister prepared to give a commitment to the house that at these preliminary discussions which are to take place in Washington shortly concerning the north Pacific fisheries, and which were announced by the Minister of Fisheries, no commitments will be made on behalf of Canada until we have had a full report to this house from the delegation that is going to Washington?

Right Hon. L. B. Pearson (Prime Minister): I am sure the hon. member, on reflection, will realize that the answer to his question as to what threats have been made to the fisheries of the north Pacific would take quite some time. I feel it is a question which should be put on the order paper, because it is not a matter of such urgency that it should be answered on the orders of the day.

The second part of this question is concerned with an assurance that these north Pacific treaty matters will be discussed in the House of Commons. The government proposes to take its own responsibilities in its discussions with other countries and then follow the normal parliamentary constitutional practice of making available the decisions that have been reached in the discussions for decision by the House of Commons.

FINANCE

GORDON COMMISSION—INQUIRY AS TO IMPLEMENTATION OF REPORT

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to address a question to the Minister of Finance. Have any steps been taken toward the implementation of, or has any action been taken to implement, the suggestions in the Gordon report following the royal commission on economic developments?

Hon. Walter L. Gordon (Minister of Finance): Yes, Mr. Speaker.

Mr. Gregoire: A supplementary question. May we have some details about those steps taken toward the implementation of these suggestions?

Mr. Speaker: Order. I do not think the question is in order. It has not the element of urgency that is required on orders of the day.

Inquiries of the Ministry

TRANSPORT

GASPE—INQUIRY AS TO STATUS OF RAILWAY PROJECT

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to ask the Minister of Transport whether he has under consideration proceeding with the Gaspe railway project, the government owned railway initiated by the previous government, or is he considering cancellation of this project?

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, the whole question of the projected Gaspe railway is now under consideration. I have no announcement to make at this time.

FROBISHER BAY—REDUCTION OF DEPARTMENTAL STAFF

On the orders of the day:

Mr. Gene Rheaume (Northwest Territories): Mr. Speaker, my question is directed to the Minister of Transport. I gave him notice yesterday. Will the decision of the United States air force to close its strategic air command base at Frobisher Bay, Northwest Territories, result in a reduction of the Department of Transport's staff? If so, will the minister assure the house that every federal government employee so affected will be given an opportunity to transfer elsewhere within the D.O.T. establishment?

Mr. Speaker: The minister seems to be absent for the moment.

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Transport): We will take the question as notice.

(Translation):

TRANSPORT

NORTHWESTERN QUEBEC—REPORTED ABANDONMENT OF TRAIN SERVICE

On the orders of the day:

Mr. Gerard Laprise (Chapleau): Mr. Speaker, on May 22 last, I asked the Minister of Transport a question concerning the train service between Rouyn-Noranda and Taschereau and, as reported on page 138 of *Hansard*, the minister replied in part as follows:

I have also referred the question to the management of the Canadian National Railways for any further information they may have on the subject.

Could the minister tell the house whether he did receive any further information on that matter?

[Mr. Speaker.]

(Text):

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, I will have to take the question under advisement and see what information is available.

ADMINISTRATION OF JUSTICE

QUEBEC—ARRESTS MADE WITHOUT CHARGES LAID

On the orders of the day:

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, I have a question for the Minister of Justice, but in his absence I will ask his parliamentary secretary to bring the question to his attention for a later answer. Has the minister's attention been drawn to the news dispatch that those arrested in connection with the F.L.Q. terrorism in Quebec are being held without formal charges having been laid, and in some instances without being able to contact counsel? Does the minister consider this state of affairs to be within the spirit of intention of the Canadian Bill of Rights?

Mr. D. S. Macdonald (Parliamentary Secretary to Minister of Justice): Mr. Speaker, I will accept the hon. member's suggestion and bring this question to the notice of the minister.

IMMIGRATION

QUEBEC—STATUS OF ALLEGED SABOTEUR

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, in that same vein I should like to address a question to the Minister of Citizenship and Immigration, because the Secretary of State for External Affairs told us yesterday that he had referred a question to him respecting the status of at least one of those people who were arrested because of their alleged F.L.Q. activities. May I ask him whether he is prepared to answer the question today?

Hon. Guy Favreau (Minister of Citizenship and Immigration): Mr. Speaker, if I understood the question it related to whether means were being taken to prevent the entry into Canada of persons of the category of one given person. I respectfully suggest that it would be unfair that I should be called upon to answer the question, because in answering it I would be identifying one person in a given category and therefore rendering an opinion on a matter which is now before the courts. If my hon. friend wishes to formulate his question so as to define one category I shall be pleased to answer.

Mr. Olson: A supplementary question. The one person in question, according to claims of newspaper reports, is a Belgian who was

trained in Cuba, and I should like to ask the minister if this person entered Canada legally.

Mr. Favreau: I must accept the ruling of the courts in this matter.

MRS. LOUIE YUET-SUN—REQUEST FOR LANDED IMMIGRANT STATUS

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I desire to address a question to the Minister of Citizenship and Immigration, of which I have given him notice this day. Has his attention been drawn to recent press reports or has he received information from the Secretary of State or the Minister of Public Works relative to the desire of Mr. Harry Toy of Ottawa for consideration of landed immigrant status being given to Mrs. Louie Yuet-Sun, who was deported from Canada early in 1961, leaving behind her infant son? The deportation order was bitterly opposed by the aforementioned ministers when they sat on the opposite side of the house. If so, what consideration is being given to this man's worthy cause?

Hon. Guy Favreau (Minister of Citizenship and Immigration): Mr. Speaker, I think I can answer the question to the following extent. First I thank the hon. member for having been kind enough to give me notice of his question. The only answer I can give to the question, because I have not seen the newspaper report, is that this matter has in fact been drawn to my attention by the Secretary of State and the Minister of Public Works, and it is definitely under consideration at the present time.

RETURN OF DOCUMENTS FOLLOWING CHINESE INVESTIGATION

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to the Minister of Citizenship and Immigration. Is he aware that people of Chinese origin, during the period of investigation into allegations that Chinese people had entered Canada illegally, had their landing papers, passports and citizenship certificates in some cases taken from them by the R.C.M.P. and that in many cases these documents have not been returned to the people from whom they were taken? Will the minister inquire into this matter to see that these documents are returned?

Hon. Guy Favreau (Minister of Citizenship and Immigration): Mr. Speaker, I think this question might properly go on the order paper, as it does not involve that urgency which calls for an answer now.

Mr. Douglas: On a point of order, Mr. Speaker, if people have been deprived of essential documents which it would appear were taken from them improperly in the first place, surely it is a matter of urgency for these documents to be returned to them at the earliest possible date, and surely the minister should be prepared to look into the matter.

Mr. Favreau: If the question is only whether I am prepared to look into the matter, I had already decided that as soon as the question was put.

FLOODS

HAY RIVER AND FORT SIMPSON—POLICY ON COMPENSATION PAYMENTS

On the orders of the day:

Mr. Gene Rheaume (Northwest Territories): I wish to address a question to the Minister of Northern Affairs and National Resources; I have already given him notice. Will the minister please advise the house of government policy on compensation payments to the flood victims of Hay River and Fort Simpson in the Northwest Territories?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): I wish to thank the hon. member for having told me yesterday that it was his intention to ask this question. I have a document here two pages in length. I do not know whether the house would prefer it to be printed or whether I should read it. May we accept it as taken as read?

Some hon. Members: Agreed.

[*Editor's Note: The document above referred to is as follows:*]

Early in May, the Northwest Territories communities of Hay River and Fort Simpson suffered serious flooding. It was necessary to evacuate both communities; about 1,500 people left Hay River and about 650 left Fort Simpson.

The people evacuated from these two communities represent about 10 per cent of the population of the Northwest Territories. Most of them went to Yellowknife and Fort Smith which have a combined population of about 6,000. While the numbers are small, the proportions are startling; moving 2,000 into these communities is roughly equivalent to moving 100,000 on very short notice into Ottawa and Hull.

The evacuation was carried out without a single casualty or serious injury—a tremendous tribute to the people of both these communities and to those others—helicopter and air line personnel, local community leaders, the R.C.M.P. and other government agencies,

the defence forces, and indeed virtually everyone who was directly or indirectly concerned with the operation. One must mention also the people of Yellowknife and Fort Smith who opened their hearts and their homes to the evacuees.

As soon as the scale of the disaster was apparent, arrangements were put in hand to re-establish the two damaged communities.

Immediately following the floods, arrangements were made for a team of assessors to appraise the damage. In accordance with normal practice, the damage was assessed on the depreciated value of the assets at the time of the flood. In other words, appraised damage is much lower than replacement cost.

The preliminary report to the appraisers shows total damage at Hay River of $614,573. This does not include damage to ships and barges and some relatively small items on which the appraisal is not yet complete.

While the situation at Fort Simpson was very serious, the actual damage was not as great as had at first been feared. The appraisers' report has not yet been received, but it seems likely that the figure will be of the order of $50,000. None of these figures, incidentally, include damage to federal property; they do include damage to business property and equipment as well as to private property and personal effects.

Under our Canadian constitutional practice, the primary responsibility for dealing with disasters of this kind rests with the provincial government concerned—or, in this case, with the government of the Northwest Territories. The federal government at once indicated its willingness to stand behind the territorial government, which has very limited resources of its own, in any reasonable arrangements which it might make for the compensation of flood victims.

The council of the Northwest Territories accordingly met in special session in Hay River on May 15 and May 17. The council appropriated $100,000—all that it could reasonably afford—toward the expenses of evacuation and rehabilitation.

The council also established a compensation policy which involves in summary contributions towards the cost of replacing or rebuilding damaged property on the following scale:

Personal real property—100 per cent of appraised loss.

Clothes, furniture, and other personal effects—80 per cent of appraised loss.

Commercial stock in trade—70 per cent of appraised loss.

Other business losses—80 per cent of appraised loss.

In the light of limited funds available, the council decided that compensation for business losses should be limited to individuals and firms carrying on their business wholly or largely in the disaster area.

Since this subject may be of interest to some members of the house, Mr. Speaker, I would ask leave to table copies of the statement of policy approved by the commissioner in council at its meeting on May 17.

As indicated earlier, the federal government has agreed to provide such financial support as may be necessary to enable the territorial government to carry out this compensation policy.

On May 27, a compensation office staffed by treasury officers from Edmonton was established in Hay River. This office is prepared to issue payments to flood victims in accordance with the policy established by the council and started writing cheques on May 30. (On May 30 and 31, payments totalled approximately $15,000). Preliminary reports from Hay River indicate that the procedure is operating reasonably smoothly and quickly.

The Northwest Territories council also arranged for a new subdivision on the mainland to be developed for occupancy this year.

In my view, Mr. Speaker, the arrangements and policies established by the Northwest Territories government and supported by the government of Canada represent reasonable and generous financial support for the people of Hay River and Fort Simpson. However, we must recognize that there will be losses which government assistance cannot cover. To help in this regard, a Northwest Territories flood relief fund has been established under private auspices. It is my hope that this fund will help to relieve some of the hardship which inevitably results from a disaster of this kind.

Mr. Laing: I should like to add these words and say the opportunity was afforded to me at the time of the floods to visit the territory where, incidentally, I met the hon. member for the first time. I wish to pay tribute to all those people of the territories who demonstrated a measure of fortitude, kindness, and charity which, I think, is unexcelled in Canadian history. We transferred almost 1,800 people to cities where their arrival meant an increase in population of some 30 or 40 per cent. Everyone concerned showed a measure of charity which I think was utterly beyond praise. I wish particularly to comment on the work of the rescue squad of the army. I described the efficiency of these men as almost terrifying. I think, now, that this episode is coming to a reasonably satisfactory conclusion as a result of fairness, and, I believe, a measure of generosity on the

part of the people of Canada. A tremendous tribute should be paid to the people who participated in relieving the distress in these areas.

TRADE

WORLD FAIR—REPRESENTATION OF INDIAN PEOPLE

On the orders of the day:

Mr. Frank Howard (Skeena): I wonder if I might direct a question to the Minister of Public Works, who I understand is the minister designated to answer questions in this house concerning the world fair to be held in Canada. I wish to ask him what steps are being taken, or what plans are being laid, to ensure that our native Indian people, with their heritage and culture, shall be properly represented?

Hon. J. P. Deschatelets (Minister of Public Works): I shall have to take this question as notice and answer it tomorrow.

AIRPORTS

VANCOUVER—INQUIRY AS TO PLANS FOR NEW TERMINAL

On the orders of the day:

Mr. R. W. Prittie (Burnaby-Richmond): I have given notice to the Minister of Transport of a question concerning the continuing serious overcrowding at one of this country's leading airports. Is the minister now in a position to announce the approval of plans for the new airport terminal at the Vancouver international airport?

Hon. G. J. McIlraith (Minister of Transport): No, but I should add that treasury board approval in principle for the detailed layout of the project has been received and I expect to be able to make a statement giving further details in a very few days.

(Translation):

AGRICULTURE

LOSS OF TRAINED PERSONNEL FROM EXPERIMENTAL FARMS

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I wish to direct a question to the hon. member for Matapedia-Matane, minister without portfolio who, I think, acts for the Minister of Agriculture, who is absent.

In view of the present emergency, especially in the province of Quebec, which is caused by agronomists leaving federal experimental farms to go to work for the provincial government, can the minister tell the house in the public interest, which steps he intends to take so that the agronomists and technicians who work for federal experimental farms in Quebec will stay with the federal government?

Hon. Rene Tremblay (Minister without Portfolio): Mr. Speaker, the whole question of experimental farms in Canada, and especially in the province of Quebec is under study, and we shall soon announce a new policy respecting that question.

Mr. Pigeon: A supplementary question, Mr. Speaker. Can the minister tell us whether he will be able to make that announcement next week or early next week?

An hon. Member: Order.

[*Later:*]

LOSSES FROM REDUCED SUBSIDY ON MILK

Mr. Clement Vincent (Nicolet-Yamaska): Mr. Speaker, in the absence of the Minister of Agriculture I would like to address a question to the Minister without Portfolio who occupies the next desk.

Further to the announcement of the new dairy policy on April 29 last, is the minister aware that the effects of that policy were felt last week end on the money paid the farmers for their milk, in the form of a reduction of 10 and even 20 cents per 100 pounds of milk and has he received any protests?

Hon. Rene Tremblay (Minister without Portfolio): Mr. Speaker, the federal dairy price stabilization policy is set by the price stabilization board of the Agricultural Stabilization Board and price arrangements between producers and farmers come under provincial jurisdiction. The federal government has no right to intervene in those arrangements. A new dairy policy can sometimes permit an increase in prices but the existing legislation does not allow the federal government to increase prices.

Mr. Vincent: A supplementary question, Mr. Speaker; is the minister aware that after the announcement of that new policy, even though some hon. members stated there would be no price reduction, in the case of about fifty cheques issued to farmers there was a reduction of 10 or even 20 cents per 100 pounds of milk?

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): May I put a supplementary question to the minister. Has the minister the intention of getting in touch with his Quebec friends in order to facilitate the settlement

of this problem for which he is partly responsible in view of his recent decision to save $6 million?

(Text):

Mr. Speaker: Order. The question is clearly out of order and the hon. member must know that.

(Translation):

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to direct a question to the Prime Minister.

I should like to know in what language the deliberations of the present federal cabinet are conducted? Are they in English only, in French only, in both languages, or are they taking place with the assistance of interpreters?

(Text):

Mr. Speaker: Order. I believe the question of the hon. gentleman is quite out of order.

HOUSE OF COMMONS

OPERATION OF CAFETERIA IN CENTRE BLOCK

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): I should like to direct a question to the Minister of National Health and Welfare in her position as a member of the internal economy commission and in light of a question I asked two weeks ago. As she was so wonderful in bringing about a remedy at that time, and because I do not know anybody else to ask, may I ask her this question. While soup and sandwiches are now served in the cafeteria in this building, I understand that this cafeteria is losing money. I would ask her to consider a suggestion which has been made to me and which I have been asked to bring up in the house. Would she consider having the cafeteria in this building transformed into a restaurant with a French cuisine? I have been told by so many of the French Canadian members of this house that if such were done it would really pay a dividend and take care of the losses of the cafeteria in the west block and the losses of the parliamentary restaurant. Would she take this into consideration?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, I should like to say to the hon. member that I shall be pleased to take it under consideration, and also how delighted I am that his interest has now changed from milkshakes to gourmet food.

DELAY IN DISTRIBUTION OF FRENCH "HANSARD"

On the orders of the day:

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, perhaps I might be permitted at this time to refer to a reply I made to the hon. member for Joliette-L'Assomption-Montcalm yesterday.

(Translation):

Yesterday I unfortunately misunderstood the question the hon. member for Joliette-l'Assomption-Montcalm asked me. He wanted to be assured that in the future the French text of the official record would be available at the same time as the English text.

He will excuse me I hope, because while I think of myself as being perhaps, partially bilingual, I am, alas, certainly half deaf.

I now wish to give a direct answer to his question. As the number of speeches in English is larger than that of French speeches, I think that because of translation the task of the editors of the French *Hansard* is heavier than that of the English *Hansard* editors.

I think that they deserve the highest commendation for their undeniable efficiency, and that it would be preferable not without any real need, to stress the rare occasions where they may let us have the French text of the official record a little later than the English text.

(Text):

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Thank you very much. Your French is not very bad.

INDUSTRY

CHIGNECTO—INQUIRY AS TO SURVEY INTO INDUSTRIAL COMPLEX

On the orders of the day:

Mr. Robert C. Coates (Cumberland): Mr. Speaker, I have a question for the Secretary of State. In view of recent meetings between the Secretary of State and the chairman of the Atlantic development board, has a comprehensive investigation of the Chignecto complex been initiated either by the board or the government?

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, I understand that the board and its officials have been giving some preliminary study to such an investigation, but that up to the present time the board has not seen fit to retain experts and that the matter is still under very active consideration.

BUSINESS OF THE HOUSE

INQUIRY AS TO INTRODUCTION OF LABOUR LEGISLATION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Labour. In view of the fact that 44 days of decision have gone by and in view of the fact that there is not yet on the order paper any of the progressive labour legislation promised by the new government, can the minister say whether such legislation will be on the order paper before the 60 days have expired?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, in reply to the hon. gentleman's question I should like to tell him that these matters are at present under consideration and will be on the order paper in due course.

PUBLIC WORKS

POLICY REGARDING ANNOUNCEMENT OF AWARDING OF CONTRACTS

On the orders of the day:

Hon. J. P. Deschatelets (Minister of Public Works): Yesterday I was asked a question by the hon. member for Grey North concerning the announcement of the awarding of contracts. In so far as the contract mentioned is concerned, tenders were opened on May 8, and as of that date the amount of the tenders became public knowledge. Anyone who so wished had access to this information. The contractor was advised on May 31 that he was the successful bidder. The information in question could have originated from any number of sources, but not from the Minister of Public Works.

I should like also to refer to the question that was asked by the hon. member for Dufferin-Simcoe. I would appreciate it if he would put his question on the order paper, because he did not give me enough information to enable me to answer it.

Mr. A. D. Hales (Wellington South): May I ask a supplementary question. Will it be the policy of the minister's department to notify the elected member of the riding concerning these contracts?

Mr. Deschatelets: Such a policy was instituted under the previous government, but not under this government.

(Translation):

[*Later:*]

Hon. Paul Martineau: (Pontiac-Temiscamingue): Mr. Speaker, a supplementary question to the answer which has just been given by the Minister of Public Works. Does the government to which he belongs intend to inform the defeated candidate of the awarding of the said contracts?

(Text):

Mr. Deschatelets: The answer is no, Mr. Speaker.

Mr. Hales: May I ask a supplementary question. Does the minister not feel that the elected representative should be advised, whether he is a member of the minister's party or any other party?

Mr. Pickersgill: Mr. Speaker, it is now 25 minutes to 5 and—

Some hon. Members: Oh, oh.

Mr. Pickersgill: It does seem to me that we are entering upon a debate and not a question that has arisen since the orders of the day for yesterday. This question might well be deferred for another time, or even put on the order paper.

Mr. Churchill: I rise on a point of order, Mr. Speaker. I do not think the Secretary of State should be allowed to rise at any given moment and make a speech to the house or lecture the house as he is doing. He has no proper point of order to raise and no point of privilege. As a matter of fact, he is attempting to take over your duties, sir, and I feel you should take notice of this fact.

Mr. Pickersgill: I rose on a point of order which I submit to Your Honour was a proper point of order. If I have offended the hon. member for Winnipeg South Centre, I am very sorry.

Mr. Hales: I addressed a question to the Minister of Public Works, and I ask for an answer from him.

Mr. Deschatelets: Mr. Speaker, I have nothing to add to what I have already said.

Mr. Speaker: There is one more item of business still before the house, and that is a question by the hon. member for Comox-Alberni. Then I do hope we can get on with our business. We have had nearly two hours of questioning.

Mr. Diefenbaker: Mr. Speaker, I am sure you do not mean that. The statement is not in accordance with the facts, and I am sure you would not want to leave that impression. I am rising with the greatest deference.

Appointment of Defence Committee

Mr. Speaker: May I just correct the statement by saying that your Speaker is getting slightly fatigued.

(Translation):

USE OF FOREIGN HARDWOOD IN NEW BUILDINGS

On the orders of the day:

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I should like to direct a question to the Minister of Public Works. I gave him notice of this question.

Could the minister tell the house if he has received representations from the Canadian Wood Manufacturers' Association about the policy followed by the architects of his department and other departments or crown corporations who stipulate in their specifications hard woods from foreign countries for the furniture and woodwork needed by the government or the crown corporations, when there are plenty of hard woods of the same quality in Canada?

If so, could he tell the house what measures the government intends to take in that respect?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, that notice reached me only at the beginning of today's sitting. I will inquire and give the hon. member an answer tomorrow.

(Text):

NATIONAL DEFENCE

APPOINTMENT OF SPECIAL COMMITTEE

The house resumed, from Tuesday, June 4, consideration of the motion of Mr. Pearson:

That a special committee be appointed to consider matters relating to defence and to report from time to time its observations and opinions thereon; that the committee have power to send for persons, papers and records and to examine witnesses; that it be empowered to adjourn from place to place; that standing order 67 be suspended in relation to the committee; and that the committee consist of 24 members to be designated by the house at a later date.

(Translation):

Mr. Speaker, I shall now go on with the remarks I started yesterday.

Before a defence committee is established, we would be very glad if the Associate Minister of National Defence (Mr. Cardin), or the Prime Minister were to inform the house of the present government's intention concerning the defence policy.

In my opinion, this suggestion would serve the interest of the country. A committee to investigate on defence matters would be of some utility, but I think it would be more logical if the Minister of National Defence or the Prime Minister were to provide the house with a clear statement on the future policy of the government concerning all matters related to national defence. Thus the committee could direct its deliberation accordingly.

As I said yesterday, we want to co-operate with the United States but never to the prejudice of Canadian sovereignty. We do not want the Prime Minister of Canada to receive his orders from Washington. We want to keep our sovereignty and that the decisions be made in Ottawa. We want to co-operate with our neighbours in establishing our defence policy but we want a policy of our own.

Mr. Grafftey: Masters in our own home.

Mr. Pigeon: We want to be masters in our own home.

Mr. Speaker, this is a very important committee. I would not want it to be a kind of opium that would send the Canadian people to sleep, so that they would swallow the nuclear arms pill. That is why it is a matter of such importance that the Minister of National Defence take his own responsibilities and set out the government's future policy.

Surely, Ottawa should not be a branch of Washington. The fact that there are no missiles in Canada makes it possible for this country to play an efficient part in peace negotiations. Negotiations have saved the world up to now. As long as Canada refuses nuclear weapons, all hope is not lost for peace.

It is also a fact that Canada is just next door to Russia. If we were to have missiles in Canada, we would be immediately on the front line. In the event of an attack, thousands of Canadians would die in a few hours, and before the attack would reach the United States.

Mr. Speaker, everyone is aware of the acrobatics performed by the present Prime Minister of Canada these last few months, these last few weeks; many a time he unsaid what he had said. I have here a long list of the statements made by the Prime Minister, but I do not want to linger over that matter. First, the Prime Minister said he was in favour of nuclear weapons and then he re-

jected them. He went to Washington where he was instructed to say yes with respect to nuclear arms. We also heard the Secretary of State (Mr. Pickersgill), the member for Bonavista-Twillingate, state that the candidates of his party were free to declare themselves for or against nuclear weapons, and he was supported on that point by the Minister of Justice (Mr. Chevrier). Now, on the occasion of a vote in the house, the leader who had received orders from Washington instructed his members to vote against the motion introduced by the New Democratic party.

Mr. Speaker, I wish to conclude my remarks in submitting a proposal to the committee. It would be very important for the committee to go to Colorado Springs in order to summon Air Marshal Roy Slemon to appear before them. According to a Washington daily newspaper, Mr. Slemon has been vilifying the former prime minister of Canada.

In this connection, I now read an article published on February 27, 1963, in *La Presse*:

> According to the Washington *Daily News*, Air Marshal Roy Slemon, of the R.C.A.F., second in command of the NORAD forces, is actively campaigning against the nuclear policy of Prime Minister Diefenbaker, by indoctrinating carefully influential Canadians visiting the NORAD headquarters in Colorado Springs, at the expense of the Canadian air force.

Mr. Speaker, I think it would be very important, in the public interest, for that committee to summon Air Marshal Roy Slemon, or to go to Colorado Springs to question him on this matter.

Mr. Speaker, the committee that will be set up should also study several matters:

1. That a complete four-year course should be given at the College Militaire Royal de Saint-Jean, as it is done in Kingston;

2. That the course given at Kingston be bilingual, if possible, as in St. Jean;

3. That the Minister of National Defence (Mr. Hellyer) define in law the bilingual status of the College Militaire Royal de Saint-Jean and that the bilingual system be maintained as it is known today;

4. That the ratio of 65 per cent French-speaking cadets and 35 per cent English-speaking cadets in each new group admitted to the college be maintained;

5. That the College Militaire Royal de Saint-Jean be officially affiliated to the University of Montreal, so that the academic course be perfectly suited to the cadets' background;

6. That the complete course be given at St. Jean, so that the cadets will not be obliged to go to Kingston to carry their studies further.

7. That the College Militaire Royal de St. Jean be made independent from Kingston and that it become a self-contained unit among the colleges of the armed forces in Canada.

8. That the Department of National Defence ensure that all military or semi-military establishments be provided with schooling facilities for the children of military French-speaking and Catholic personnel stationed there.

Mr. Speaker, furthermore it is important to consider a plan in order to increase the number of French Canadian or bilingual officers in our armed forces, especially in the navy and air force services.

We should also consider the opportunity to post bilingual signs on all properties belonging to the Department of National Defence, as well as on vehicles, ships and aircraft, as we did in the Department of Agriculture, when we were in office.

I suggest also that the French language be put on an equal footing with the English language within the Department of National Defence.

I suggest also the establishment of a French division at the civil defence college in Arnprior, for the benefit not only of Quebec, but also of all French speaking Canadians. At the present time the lectures are given only in English.

Mr. Speaker, I suggest also that the federal government's financial assistance be increased in order to assist major cities like Montreal, Toronto and Vancouver in organizing their civil defence.

Mr. Speaker, if one examines the Glassco report, it will be seen that the headquarters of national defence are criticized for many reasons. In my opinion, the proposed defence committee should not examine only the general national defence policy but also the problems of organization with the Department of National Defence.

It is said that there are too many committees at the national defence headquarters. In fact, there are 350 committees there and more than 200 interarm committees.

And, according to the Glassco report, a stock of woolen socks that would last until the year 2043 was found in the warehouse of our military air force; and we know that it was bought by the former Liberal government when it was in office.

And what about the 20,652 suits of winter underwear in stock, when the army requisitions only 18 a year? The navy has such a surplus that it would need 1,000 years to get rid of them.

A supply of aircraft electric bulbs that will last for 170 years was also found.

The supply of cotton overalls will last for 197 years and they were bought in 1954. And it would take 190 years to dispose of the boots.

Mr. Speaker, those mass purchases were made by the former government, when the Liberals were in office. They made those purchases carelessly. They spent the money of the Canadian people carelessly and I think that the committee should study that situation to prevent the party in power from repeating the serious mistakes it made when it was in office for so long.

There is also the arsenal at Riviere-du-Loup, built by the government when our friends were in office; an amount of $285,-453.50 was spent on construction, repairs and equipment. The same government sold that arsenal later for $17,500.

We just have to look at the official record of our discussions in the house to realize what waste there has been. Indeed, as we may see on page 4923 of *Hansard*, dated May 7, 1953, the late Mr. C. D. Howe stated:

> If the services say they need a gold-plated piano, it is our duty to buy it.

Mr. Speaker, this is another instance of the way public moneys—I mean the taxpayers' money—are managed.

The Liberal government at that time bought four million dollars worth of ties. In other words, there was an average of 10 ties for each soldier, which, in 1952, led the Right Hon. Louis St. Laurent to state in the house:

> I do not know why millions of ties were needed.

Mr. Speaker, those are the things which cause the Canadian people to lose confidence in democracy. Those people who were then in power administered the people's money in a reckless manner and I think that the committee on defence should scrutinize to the utmost, not only the present organization of the national defence department, but also the future intentions of the government. Before concluding my remarks, may I repeat my suggestion to the effect that the minister and the Associate Minister of National Defence should assume their responsibilities and tell the house immediately what the government proposes to do in future with regard to national defence. The Canadian people want to know where it is going.

For many weeks, the head of this government has been contradicting himself. He goes to Washington where he is told: "Say that". When he returns to Washington, he comes back with another version. As I say, it would, in the public interest, be important that, before the committee starts sitting, the present Minister of National Defence, who rose so frequently when he was in the opposition, rise this time to enlighten the Canadian people and clearly outline the policy in defence matters, independently of the United States. Let us not be an American satellite which receives its instructions from the Americans, and let the Prime Minister of this government (Mr. Pearson) not be a servant of Washington, as is now the case.

Mr. Drouin: Mr. Speaker, will the hon. member allow a question?

Mr. Pigeon: Certainly.

Mr. Drouin: The hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) made some very interesting suggestions about the Royal Military College of St. John.

Could he tell us if he made similar suggestions to the previous administration or whether it is the climate of confidence about biculturalism that has been the order of the day since the new government came to office which induced him to make such suggestions?

Mr. Pigeon: Mr. Speaker, I am most happy that my hon. friend asked that question. I see that he does not read *Hansard* very often. If he did he would have seen that from 1958 to 1962 I raised the matter twice in the House of Commons and it was also our intention to consider this matter more seriously, but the Liberals in cahoots with the Social Crediters prevented us from successfully implementing our program and by defeating the government in the House of Commons.

(Text):

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I rise to support this motion and offer a few opinions and make a few suggestions. First of all I must say that I was pleased to hear the Prime Minister (Mr. Pearson) say that the committee would have an opportunity to discuss policy. However, my former experience on defence committees leads me to be less optimistic than some hon. members of this house as to what will result from this promise that the committee members can discuss policy. At the same time, I am not quite as cynical as some others have been in the debate with respect to this offer on the part of the Prime Minister. My attitude at this time in that respect is simply to wait and see. It is a question of, once bitten, twice shy.

Whenever questions relating to defence expenditures are under consideration in this house I am reminded of a statement made by the former hon. member, Major General Pearkes, V.C., who I am sure all hon. members will admit spoke as a result of long army experience and a long interest in matters military. I remember him on one occasion rising in the house and saying:

> I have never in all my experience known an admiral or a general or an air marshal who did not ask for far more than he required.

I have repeated that statement, Mr. Speaker; it is more or less a text with which I have prefaced my speeches on defence estimates throughout the years. I would urge the committee to keep those famous words constantly in mind when listening to the pleas of those who follow in the tradition of those whom Major General Pearkes mentioned.

The opposition of this party to nuclear weapons is based on moral, military and economic grounds. The reasons for this opposition have been stated in excellent manner by our leader, and in a most eloquent speech last evening by the hon. and gallant member for Nanaimo-Cowichan-The Islands (Mr. Cameron). Correspondence, resolutions and editorials indicate a widespread concern with the moral aspects of this question. Let me say that although we have had a vote in this house, the present government is not free of discussion in the country with respect to its decision to accept nuclear weapons for our defence forces.

In that connection, Mr. Speaker, I wish to quote from an editorial in the Victoria *Colonist* which I think puts the question very well indeed. The article is headed "Nuclear burden" and says:

> When the Canadian air division is fully operational it will have the nuclear capability of destroying the equivalent of 600 Hiroshimas, killing 48 million people and injuring another 22 million. In other words the R.C.A.F. European air division will be hundreds of times more powerful than the combined strengths of all the allied armed forces used in the second world war.
>
> Under optimum conditions Canada's air division could, for instance, completely obliterate the British Isles, or Germany, or even a large part of the U.S.S.R. To be in possession of, and responsible for such enormous destructive power imposes an almost impossible responsibility upon any nation. And such a burden is now Canada's.

Mr. Speaker, I think there are a good many people in Canada who will agree with that editorial and the burden it imposes upon Canada, we think unnecessarily when we realize that the United States are professing to produce one intercontinental ballistic missile a day. To show that further concern I want to deal with an editorial in the Vancouver *Sun* of May 25, 1963 entitled "Nuclear arms and the Germans". The article says:

> "What has been proposed is that there should first be created an interallied force composed of existing (nuclear) weapons. Subsequently it is proposed that a mixed-manned force should be created. This mixed-manned element would be multilaterally owned, manned and controlled and not at the disposal of any one government.
>
> "These proposals would not constitute in any sense a move towards proliferation of national nuclear forces".
>
> In the foregoing words, the British government a week ago repudiated suggestions contained in a Soviet note which objected to the new NATO nuclear strike force as a move intensifying the arms race and, more horrendous, putting the feared former enemy, West Germany, in possession of nuclear armament.
>
> What the Soviets fear or profess to fear came partly to pass this week in Ottawa when the NATO ministerial conference adopted the first proposal referred to in the British note.
>
> The second proposal, which would result in setting up a surface fleet carrying nuclear missiles, manned by mixed crews under one command—a truly NATO force—will be discussed at a later NATO meeting, probably in December.

Then the editorial goes on to say:

> Even though these Germans would not be serving as German soldiers or sailors but as part of mixed NATO units, there are many people even in Canada and Britain, and probably elsewhere, who see some reason in the Russian opposition.

I just have three or four more lines to read, Mr. Speaker:

> The west Germans, however, are receiving the 75-mile Sergeant nuclear-tipped missiles from the U.S. for their land forces in NATO. The nuclear warheads remain under U.S. control. But it is the sort of thing that gives jitters to people with long memories.

And there are many in Canada with long memories. May I move the adjournment of the debate, Mr. Speaker.

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

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, before we proceed to this order I wonder if there would be any possibility of concluding the debate and passing the motion to establish this committee if the government undertook not to take this private members' hour away—which we could not do anyway—but to see that the time was provided at a later stage. I believe there are only one or two speakers left, and it would be a great convenience to the government if this could be done.

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I understand the desire on the part of the government house leader to get the business moving more quickly than

it appears to be moving at the present time. Having been through this process for a period of four years, I fully appreciate his position. However, the House of Commons moves slowly but very effectively, and trying to rush things through prevents people having the freedom of speech which is the heritage we enjoy in this parliament. I think in the circumstances we should follow the normal course of events and not disrupt the program. Every hon. member of the House of Commons expects private members' hour now. Many hon. members may be prepared for it, and a sudden change would throw them out in their own personal schedules.

NATIONAL HOUSING ACT

SUGGESTED EXTENSION OF MORTGAGE PROVISIONS TO INCLUDE COMPLETED DWELLINGS

Mr. Reid Scott (Danforth) moved:

That, in the opinion of this house, the government should consider the advisability of amending the provisions of the National Housing Act so that the mortgage provisions of the said act be extended to the purchase and sale of homes and dwellings that have already been completed and occupied.

He said: Mr. Speaker, in rising to speak to the motion I should first like to make clear to hon. members of the house what I am hoping to achieve by presenting this motion to the house. It is essentially an attempt to end the discrimination that has been practised by successive governments in Canada, under the provisions of the National Housing Act, between the suburbs and the cities which are hemmed in by these suburbs. What I am attempting to do in the resolution is to make the same financial mortgage arrangements available to people in our cities who wish to purchase older homes in the cities and live there. I am trying to see that they have the same financial arrangements with respect to the purchasing of their homes as those who live in the suburbs. I myself live in suburbia outside the city of Toronto and I enjoy it, but I realize that there are thousands and thousands of Canadians from coast to coast who would prefer to purchase a home and live their lives in the cities. What I should like to see is the provisions of the National Housing Act amended so that its mortgage arrangements can be extended to those who wish to live in our cities.

There are many factors in the National Housing Act which we should like to examine, and no doubt there will be a more appropriate time provided later for us to make this examination. I have deliberately restricted this motion to the very narrow ground I have outlined because it is one of the provisions of the National Housing Act that has always seemed to me completely indefensible and actually silly. I do hope hon. members of the Progressive Conservative party who may speak in this hour devoted to this resolution will give us some indication why such a proposal was never accepted during their term of office.

Mr. Speaker, if one looks at the present situation the National Housing Act financing arrangements are restricted to homes which have not as yet been constructed. If you wish to purchase a home under the National Housing Act you have to have a vacant piece of land, take your plans to the local C.M.H.C. office, and if they approve them you can get a mortgage covering 90 per cent of the purchase price of the house. Since pretty well all the vacant land is outside our large cities, and since most of the vacant land inside the cities does not meet National Housing Act requirements, this in effect means that almost all the financing of individual dwellings in Canada under the provisions of the National Housing Act is restricted to new homes being built in the suburbs surrounding most of our major cities. This is not a criticism of the C.M.H.C. officials themselves but it has been the policy of successive governments that this should be the case. What this means is that if a young couple, or any other couple for that matter, wish to remain within our cities and to live there, they cannot obtain the advantages of the financing arrangements of the National Housing Act. If they want to buy a house with a low down payment and a mortgage they can adequately carry, they are forced to leave the cities and to move out into the sprawling miles and miles of suburbia. To me this seems to be a totally unfair form of discrimination which cannot in any way be defended or justified. I know that many hon. members in this house who have dealt with conveyancing problems in their private practices have run up against the many difficulties which this situation creates.

As to why a change is needed, one of the difficulties, as I have said, is that because the National Housing Act is administered in this fashion all of the new homes are being built in our suburbs. This has resulted over the years in a very strong push from the cities out into the suburbs by most of our young couples. This has created for our municipalities tremendous problems in meeting the demands which new houses create—demands for roads, schools, curbs, water mains and all the other facilities which must be made available for new housing. The result to the municipalities has been an ever increasing and indeed a crushing tax load to meet these urgent requirements.

This is particularly evident in the administration and the supplying of school facilities.

I understand that every 40 new homes creates a demand for a new schoolroom at a cost to the municipality of some $40,000. The mushrooming growth of our municipalities, and the school requirements this has created, has in itself imposed a tremendous debt burden and great financial problems on all local municipalities. I do not know why this should be the case except that most of the people moving to the suburbs seem to be young, and begin to raise very large families, which creates this schooling problem.

Another difficulty which this method of N.H.A. financing creates is the problem of young people in our cities who want to buy a house. For example, Mr. Speaker, if you wanted to buy a house costing $12,000 and live in one of our cities, you could only get a first mortgage of about $6,000. Therefore, unless a young couple has $6,000 in cash they either cannot afford to buy the house or else they have to buy whatever equity in it they can and give back a large second mortgage. Second mortgages run from five to ten years and create additional carrying costs for the young couple. When these mortgages mature at the end of five or ten years they have to be renewed if the young couple cannot pay them off. They are renewed with a bonus, which usually just about equals the amount of principal which has been paid off. There are many cases in my constituency, and I am sure in many others, where young couples are buying houses with second mortgages on them, and they will never own them because every time the mortgage is renewed the bonus attached equals the amount of money they have paid off the mortgage, so they will go on in perpetuity buying these houses and will never really own them.

Another matter which would be of advantage in this proposal is that under the National Housing Act the mortgages run for 25 to 30 years. This would be a tremendous advantage to young people buying homes. It would give a great degree of stability to their home buying. It would enable them to budget their income over a longer period of time and would enable them to plan their families and their entire married life together. Another thing it would do is to make these homes easier to resell. If a young couple today buys a house in the city they will find that after living in the house for four or five years the property is virtually unable to be resold because purchasers simply will not buy these older homes with second mortgages running out in one or two years after they purchase. So that the provision of N.H.A. financing for older homes in our cities would go a long way not only to help out the second mortgage victimization which is now taking place in Canada but would make it easier for young couples to resell their homes in the event that they wanted to move somewhere else.

There have been some moves in Canada recently to provide the higher mortgage financing which N.H.A. does not provide. There are some companies in Toronto who will give a mortgage of 80 per cent of the value of a new home. The only difficulty is that the interest charged is 8 per cent, which is much too high a rate for a young couple to be able adequately to carry. Indeed, I hope that at some stage we will be able to discuss the whole question of interest rates under the National Housing Act. For example, if you have a mortgage on your home at 6¾ per cent under N.H.A., this is what it costs you. If the amount of the mortgage is $14,400, at 6¾ per cent over 25 years you will actually pay back $29,366. If that same $14,400 mortgage is stretched over 30 years you will actually pay back $33,084. This represents a mortgage interest rate of 6¾ per cent, and I leave to the imagination of hon. members the fantastic return which would be made if they were to finance a home in Toronto at the present time and pay 8 per cent over 25 or 30 years. One would be paying something like $14,000 over 25 years. Action along the lines I have suggested should make it easier for people to live in the cities and to buy their homes there. Favourable comment on this proposal has come from sources almost too numerous to mention, including builders associations, many of the construction industries and real estate companies, such reputable journals as the *Globe and Mail* and the Toronto *Daily Star* and community planners. All have recommended that steps of this kind should be taken. Even the present Minister of National Revenue (Mr. Garland) while he was in opposition spoke eloquently in favour of this provision and I am sure he has not changed his views since and that I can count on his support.

In actual fact, the question is not whether this should be done but why it has not been done in the past. The present system of home financing is discriminatory and under present conditions it can no longer be justified. It was all right when the National Housing Act first came into being because at that time what we primarily wanted was new housing. But now conditions have changed and the time has come to reconsider the act. People should have freedom of choice regarding where they are to live—whether they are to live in the city or in the suburbs. At present the choice is weighted heavily in favour of suburban living. An extension of the provisions of N.H.A. into the cities would relieve pressure in the suburbs. It would relieve householders of second mortgage victimization and, in particular, it would help young people

who are seeking homes. There are thousands of reasons which could be advanced in favour of this proposition but I do not wish to spend too much time discussing them because I should like to hear the views of other hon. members on this proposal.

I realize that in the hour we have available we cannot, obviously, consider all the ramifications of such a proposal as I have made. However, I think the resolution in principle merits support by hon. members. I should like to suggest that, following approval of the principle, by unanimous consent it be referred to the committee on banking and commerce in order that hon. members may consider it, call in witnesses and hear the views of experts. With the co-operation of all hon. members we could then draw up a bill which would meet all difficulties, and bring it back for consideration at a later time.

I want to review an appeal which was made the other day in this private members' hour that serious consideration be given to paying greater attention to the matters which private members raise during this period. I hope we can do away with the farcical treatment which private members receive in this house. When we go to our constituencies and tell our constituents that every day we spend an hour debating private members' business, that everybody loves the bill under discussion to death, that everybody spends so much time saying how much they are in favour of it but that no action is ever taken and the measure is dropped to the end of a long list and never to be heard of again—when we explain all this to our constituents it is no wonder they ask themselves why we conduct our business in such a witless manner.

An hon. Member: What about the divorce bills?

Mr. Scott: We shall get to them later. We in this group would be glad to get rid of divorce bills. It was not this group which blew up the agreement last year.

However, before I close I should like to renew this request that more serious consideration be given to private members' matters. In other parliaments this is what is done. In the British house of commons private members' bills do proceed after consideration to the stages of third reading and royal assent. Hon. members in all quarters of the house have matters of great importance to put forward for consideration. Many of the motions and bills put forward contain good ideas, and it seems to me that a motion such as this should receive assent and go to a committee where the views of all hon. members could be taken into consideration and where a considered piece of legislation could be assembled. I hope this can be done and that my proposal will be sent to a committee where it will receive full consideration.

Mr. D. G. Hahn (Broadview): In speaking to this resolution I should like to assure the hon. gentleman who has proposed it that it is my intention to give it serious treatment. I believe that the matter dealt with in this resolution is a serious one, and one of great import.

My own particular riding, as the hon. member probably knows, is a riding which could benefit greatly from the sort of change he proposes. We are a downtown urban riding where many of the houses are old. We do not have a suburbia. I know, as the hon. member has stated, that many of the people who live in my riding are paying first mortgages, and very high interest rates on second mortgages to try to own their homes. I also know that this presents a great problem to some of these people. There is a problem of mobility. Children get married, and parents are then stuck with a house which is too large for their needs but difficult to sell. There is no mobility, because financing is not available. I know, also, that the young people who move out of these homes are forced to go into the suburbs if they want to own their homes. This gives rise to all sorts of problems, including that of transportation to and from work, and possibly getting them involved financially in the purchase of a car and other things they would like to stay away from.

I also recognize that in making financing available in respect of older homes we would help to some degree the sale of new homes because it would allow for trade-ins on new homes. This would allow a certain mobility as between owners of old and new houses. The steps which the hon. member suggests would be very desirable, particularly bearing in mind the needs of my own riding. It is a step which during the election campaign I advocated strongly, and it is something I still advocate.

However, I must add that during the election campaign I also advocated that we must approach our legislative program with responsibility and that the first thing which should receive our attention is the problem of unemployment. We should try to solve this problem first and make it the first call on our resources and on our available dollars. When we get that problem under control we can turn to these other highly desirable social measures. It seems to me, then, that in considering this measure we must ask ourselves how it would fit in with our policy for dealing with the fundamental problem of unemployment. We must ask ourselves whether, in terms of priority, we can

link it with the measures designed to improve the employment position, or whether it ought to be held back for a period.

It appears to me that the first thing we should consider is the background of our housing legislation. The hon. member mentioned that this legislation tended to be discriminatory and he suggested there was no reasoning behind the legislation as it is now drafted. I take exception to that. It is true the legislation is discriminatory and that it does aid the people who want to buy new homes as opposed to those who wish to buy an existing house. But that is for a very good reason. I think the financing which has been available in respect of new housing has played an important part in supporting employment in the construction industry by enabling new houses to be built and I think we must all realize that this is an important source of employment in our country. Thus, we have to be careful that whatever we do to improve the situation with respect to the purchase of older homes we should not sap the vital strength necessary in order to assist new home building projects. If we were to do that it would have serious consequences on the employment picture.

The Central Mortgage and Housing Act now operates in a number of fields and I should like to give quickly from their annual report some indication of the sort of things they are doing. They are insuring mortgage loans on new housing made by banks and conventional institutions. They are also making, as we all know, direct loans for new houses. They are also working in the field of limited dividend housing where the purpose is to try to meet social need by providing rental accommodation at low rental rates. They are making loans to universities to assist in providing dormitory accommodation for resident students. They are making loans to municipalities to help them work on their municipal sewage problems. They are also doing another important thing which does get down to the area of older homes. They are providing insurance to banks on home improvement loans. This means that people who own older homes are not completely barred from help. They are at least able to make improvements to their homes with bank loans insured under N.H.A.

There are a number of other projects which Central Mortgage and Housing Corporation is working on, but broadly speaking the purpose of the legislation has been a dual one. The first purpose is to try to provide social help in the housing field, to try to meet the needs of the people with regard to housing. It has as its second aim, and this is very important, the assisting of the construction industry with respect to new housing and thus helping to provide jobs in that industry.

I want to give some figures so we will have some idea of the scope of the problem about which we are talking. In 1962 there were about 130,000 residential units constructed. This represents $1,587 million. Bear in mind that this is a substantial sum of money. Central Mortgage and Housing Corporation provided financing for 48,000 units or roughly 30-odd per cent of the total. Of these 48,000 units, 32,000 were financed by conventional lending institutions insured under N.H.A. and 16,000 were direct loans under N.H.A. In addition, N.H.A. provided $21 million for university housing, $45 million in the field of sewage treatment and $3 million in the field of urban redevelopment. It guaranteed loans to the banks in the amount of $38 million for home improvements and in the field of new construction $384 million was lent on new housing through N.H.A. of which $163 million represented direct loans by N.H.A.

What does all this tell us? I think it tells us a couple of things. As I have said before, I think it tells us that the housing act is moving into areas of housing other than straight new construction. I think it tells us something about the amount of money involved. When we look at the dollars that we have pumped in, $383 million under N.H.A. into the construction of new homes, $45 million in the field of sewage treatment and $38 million in the field of home improvements, I think it tells us that the housing act has pumped a lot of money into employment creating activities, and this is something we must make sure continues.

During the recent election campaign the party to which the hon. member who proposed this notice of motion belongs was talking about massive doses of social capital being required to go to work on our unemployment problem. I consider the funds that have been pumped in under N.H.A. to be just that very thing, massive doses of social capital working in the field of unemployment. Our new government is working to try to solve the unemployment problem. We are proposing a municipal loan fund, we are proposing an Atlantic development board, we are proposing a national development corporation and a number of other measures. I think these things all have one factor in common and that is that they too are going to require large sums of money. We know, for instance, that the municipal loan fund is going to take $400 million. When we add to this the fact that we have had large deficits in the last few years and despite the skill of our new Minister of Finance (Mr. Gordon) will probably have a

deficit this year, I think we must realize that the problem of the federal government and Canada as a country is similar to that of any municipality or individual, namely that the amount of money you can borrow, the amount of debt you can carry, is limited. You can only go so far.

When we look at the problems we have I think we must realize that if we are going to tackle this business of trying to make loans available for older houses we are probably going to be restricted in the number of dollars we can use in the housing field to something approaching the level that we had last year. This being the case, if we are unable to put more money into this area and if we then make loans available for older homes we do so at the risk of siphoning money away from the field of new construction, at the risk of cutting down in this field which is providing so much in the way of employment. Therefore I think this is the first consideration, and a consideration that to me makes this desirable move one that must take its proper place in priority. In other words, I think it is highly desirable that we do it but we must do it at a time when we can put enough new money into this field so that we do not at the same time detract from the construction of new houses.

There is another thing that I think we have to look at and that is some of the ramifications of what we do. I admit this is a relatively secondary issue as far as I am concerned. If we put money into older homes and make financing available—

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

Mr. Hahn: If you will allow me to finish I will be quite pleased to answer them.

If we make funds available for our older homes we have got to be careful that we do not make funds available for older homes on a rental basis. I think we have got to be sure that we do not encourage people to buy up with government financing a bunch of older homes in a downtown area and keep them in a rundown condition, and in effect run a rental slum empire. If we make funds available to people for older homes I think it is very important that we try to make sure or at least consider whether we should make sure that these funds go to the owners of homes rather than to a landlord who is going to rent. I think we could get into trouble if we allowed people to buy up with low cost N.H.A. loans a lot of older homes, keep them in a rundown condition, rent them at low rental rates and in effect perpetuate slum districts. There are other problems of that type.

To my mind these are problems that are involved in the mechanics of working out the extension of this type of financing to older homes. I believe these problems require study but I think they are soluble. However, in my opinion one problem that is not immediately soluble is that involved on the one hand, in the restricted amount of money that can go into this field and, on the other hand, in not taking away from the existing level of new building construction.

I have just one more point in this regard. Probably about two thirds of the funds that went into housing last year under N.H.A. came from conventional lenders. The balance is made up of direct loans from Central Mortgage and Housing Corporation.

I think it is a safe assumption that conventional lenders would prefer to continue to lend in the new housing field rather than in the area of older homes. This means that the need for funds in this area would have to be met in higher proportion by direct N.H.A. loans. I think it is a reasonable assumption, therefore, that to implement this program, if we are not going to take funds from our present home-building field, we are going to have to provide greater sums of money. I feel that just as soon as we can possibly implement this program it should be one with top priority. I hope that as soon as we can provide the funds in this area this government will do so, because it is something that is essential, it is something that is vital and it is something that I strongly support. I do recognize that it must be done at a time when it can be done properly, when funds can reasonably be made available for this purpose. I hope that time will not be very long in coming.

Mr. Scott: The hon. gentleman was kind enough to indicate that he would reply to a question at the end of his remarks. In his speech, the hon. gentleman indicated his main reason for opposing the measure at this time is that it would detract from the money available for new home construction. Since the population growth will create a demand for new homes at the rate of 120,000 units a year in perpetuity, will the hon. gentleman indicate when, if ever, we can take money from this desirable purpose and put it to another purpose that is just as desirable?

Mr. Hahn: In answer to that question I may say that the time when that can be done will be the time when two things exist. The first will be the time when the federal government can put more money totally into this field, and I do not feel that the government can do that right now. I refer to the time

when the total resources available from the federal treasury for the building of houses are greater.

This is one condition. I think the other is that right now we are vitally concerned with the problem of unemployment. If we succeed in doing what we are trying to do, that is increase the employment level in our manufacturing industries, then at that point we will not be so dependant or so sensitive to the employment provided by the construction industry.

(Translation):

Mr. Clement Vincent (Nicolet-Yamaska): Mr. Speaker, I should like to take part in this discussion in order to support the motion introduced by the hon. member for Danforth (Mr. Scott).

There are in Canada, at the present time, about 100,000 families which cannot afford homes of minimum standards. Every Canadian, every Canadian family, should have the possibility of buying his own home.

That is why, Mr. Speaker, the program of the Conservative government included legislation which provided loans, at a low rate of interest, to the extent of 90 per cent of the building or purchase cost of low rental housing projects.

There are farm credit provisions which make loans available to farmers for the purchase of farms. We could have housing credit facilities which would help workers who are anxious to buy a house, either in the city or in the suburbs, in a town or even in the country. The inspectors of this housing credit board could recommend the granting of a loan according to the actual value of the buildings at a given location.

For instance, in my riding, many workers would like to buy a house of their own instead of paying rent as they do right now. Is there a finer ambition for any man, even the poorest worker, than to wish to own his home?

If loans were provided on houses which are already built up to a maximum of 90 per cent of the value of the property, those workers would be able to realize their dream, thus killing two birds with one stone. It would be advantageous to house builders and it would create a demand for the services of tradesmen. Considering that the building of a new house requires many hours of labour, there would be fewer unemployed. In addition, new constructions require a lot of materials which are produced by Canadians in Canada and in my riding in particular. That would also improve the labour situation.

Besides, the construction of new houses entails the purchase of new drapes, new furniture and all kinds of goods. That again would increase employment.

This is why I was saying a moment ago that we would thus kill two birds with one stone.

In short, Mr. Speaker, I do not wish to dwell at length on this legislation for it is, I think, very important for the Canadian workers, for the workers who live in my county and who would like to own a house; unfortunately, it often happens that whenever they want to buy a house that is already built, their plans are thwarted. This is why I am asking the government to seriously consider this matter and thus make it possible for our workers to have a house of their own, with the help of a loan that could perhaps be similar to loans granted in the agricultural field. Apart from helping them to have a home, it would provide jobs for many unemployed people in Canada.

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, at the beginning of my remarks I wish to associate with those who preceded me in order to congratulate you on your appointment to the high office you now hold. It is my first opportunity to take part in the debates of the house.

The motion of the hon. member for Danforth (Mr. Scott) is especially related to the re-financing or purchase of housing units already built, so as to enable some people to obtain from the Central Mortgage and Housing Corporation the necessary funds for that purpose.

Mr. Speaker, I think that the matter is worth thinking over. I cannot say, however, that we can give the matter our unqualified support.

I think that the purpose of the Central Mortgage and Housing Corporation is to promote the building of housing units and to improve their quality.

If this motion were to be adopted without restrictions, the result would probably be that very old houses would change hands; then the number of houses to be built would be reduced while the number of slums, which is already too great in this country, would increase. However, I believe that the proposal put forth by the hon. member for Danforth deserves our consideration.

Taking into account the fact that it is in the first years after a house is built that the

owner, for various reasons, must sometimes give it up, I am of the opinion that the proposal has some merit.

The Central Mortgage and Housing Corporation could finance the purchase of a house built some years ago, provided it meets the C.M.H.C. standards.

Now, if I make certain restrictions, it is because I cannot accept this proposal straight away.

However, I should like to take this opportunity to outline the situation now existing in Canada. In the province of Quebec, especially in the Saguenay area that I represent, thousands of houses have been built. At the present time, in the Saguenay area, unemployment has reached a rather high level, and municipal and school taxes have increased, so that family heads with low income, who had built a house for their family, must make monthly payments of about $70 including taxes. But, because of present conditions, they are now paying $80, $90 and even more each month for their accommodation. Now, many of them wonder whether they will be able to continue paying this. To my mind, we might bring about some changes so as to allow those people who have made payments for five, six, and even ten years, to re-finance, and even obtain a reduction of their monthly payment.

Mr. Speaker, this will obviously bring about an increase of the interests which will have to be paid by those heads of families, but there again, I know that it has been asked for a long time in the house that the interest rate be reduced. I hope that, in a not too remote future, we might make available to Canadian citizens the necessary means for building a house, a simple dwelling, or a multi-dwelling unit, at an interest rate which would not be prohibitive like the one paid today.

It has been said earlier in this debate that, over a period of twenty or even of twenty five years, people had to pay double the value of the house. That is indeed a fact, and I hope that the house will take that situation into consideration and promote the development of housing in this country.

Mr. Speaker, I know that every minute counts, though I would have had a great deal more to say on the subject. However, I shall resume my seat so that the resolution may be accepted with some reservations.

(Text):

Mr. Bernard Pilon (Chambly-Rouville): Mr. Speaker, I would like first of all to tell the hon. member for Danforth (Mr. Scott) that I myself have bought a house wrapped in a mortgage.

(Translation):

Mr. Speaker, having heard the remarks made by those who spoke before me, it is readily seen that the principle itself is acceptable, but it is still necessary to consider some statistics.

As was mentioned by a member of the opposition a while ago, it was the intention of the then government, in 1962, to set interest rates which would be acceptable for everybody; it was about time that they should have thought of that because they were the ones who had given the interest rate a little boost, making it jump from 5¼ to 6¾ per cent.

The principle according to which it would be possible to extend the benefits of the act to houses already built was given careful consideration. But has any thought been given to the speculation angle? It has been said that this measure could reduce unemployment, but was the exodus which has taken place in our ridings for many years taken into consideration?

We contributed to lending of close to $2,500,000 on mortgages and the present member for Chambly-Rouville prepared the legal documents for 250 titles.

Since 1958, we have noticed a raise in the interest rates. We are in an urban and semi-urban area and, as was mentioned by the hon. member for Toronto-Broadview (Mr. Hahn) a moment ago, many people have moved due to the increase in transportation costs. We have presently in our municipality from 35 to 40 houses whose owners have difficulty meeting the monthly instalments due to the increase in transportation costs.

We considered the matter and we most seriously asked ourselves if financing of houses already built should not be abandoned to the private sector, i.e., banks or insurance companies.

The Central Mortgage and Housing Corporation made a commendable effort as far as home improvement loans are concerned, and lent money at a reasonable rate in order that the owners may not be compelled to further encumber their properties.

In some areas, new houses were built with a very small down payment through secondary mortgaging.

We could ask ourselves whether we would not be promoting speculation if we refinanced houses already built. As a matter of fact

should we not leave to the private sector the assessment of property values or construction quality.

Please understand that we are not dealing with social aspects, we are only concerned with the construction of houses and the balancing of a precarious budget situation. We would like all Canadians to be enabled to build their own houses. However, Canadians must live according to their means and they will do this only if they buy the property they can afford.

Consequently, Mr. Speaker, I do not think it is possible at this time to support the policy advocated by the hon. member for Danforth.

It was stated a while ago that some Canadians could not keep their property. In my opinion, no government whatsoever is responsible for that. When a mortgage is granted at 6 per cent interest, the terms of repayment do not change. However, municipalities have a responsibility so far as taxes are concerned and that is what may alter the terms of repayment.

Having said this about one of the sorest points, that relating to speculation and not the humanitarian aspect, one must come to the conclusion that the whole question should be left to private enterprise, as I said a while ago.

(Text):

THE ROYAL ASSENT

A message was delivered by Major C. R. Lamoureux, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, the Honourable the Deputy of His Excellency the Governor General desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the house went up to the Senate chamber.

And being returned:

Mr. Speaker informed the house that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent to the following bill:

An act for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1964.

BUSINESS OF THE HOUSE

Mr. Churchill: May I ask the house leader if the order of business as announced for Thursday and Friday remains unchanged?

Mr. Pickersgill: Not quite. Tomorrow we will continue with the debate that was in progress at five o'clock today, which we earnestly hope may be completed fairly early in the day. Then we will proceed as indicated with the resolution preceding the economic council. If that resolution stage should be completed, it would not be possible to take the resolution on the department of industry, or at least it would not be convenient, because my hon. friend the Minister of Defence Production has to be in Washington tomorrow. Therefore, if a third item is required we would take the resolution preceding the Atlantic development board bill.

On Friday, if the circumstances were that we had not started the Atlantic development board bill, we would go on with the resolution on the department of industry instead; but if we had started it we would go on with that resolution and then after that take the bill respecting the economic council.

It being twelve minutes after six o'clock the house adjourned, without question put, pursuant to standing order.

APPENDIX A.

Financial Obligations to United Nations

I. STATUS OF CONTRIBUTIONS DUE TO THE UNITED NATIONS REGULAR BUDGET

Member States	1962	1961	1960	1959
	US $	US $	US $	US $
Afghanistan	—	—	—	—
Albania	15,648.00	—	—	—
Argentina	611,362.00	315,815.00	—	—
Australia	—	—	—	—
Austria	—	—	—	—
Belgium	741,687.00	57,212.09	—	—
Bolivia	24,274.00	22,907.00	1,503.00	—
Brazil	2,391.00	—	—	—
Bulgaria	87,088.00	—	—	—
Burma	—	—	—	—
Byelorussian Soviet Socialist Republic	—	—	—	—
Cambodia	24,746.00	—	—	—
Cameroon	—	—	—	—
Canada	—	—	—	—
Central African Republic	—	—	—	—
Ceylon	—	—	—	—
Chad	—	—	—	—
Chile	160,340.00	—	—	—
China	2,650,814.00	—	—	—
Colombia	—	—	—	—
Congo (Brazzaville)	26,175.00	193.60	—	—
Congo (Leopoldville)	17,669.50	—	—	—
Costa Rica	9,231.12	—	—	—
Cuba	132,913.00	66,551.00	—	—
Cyprus	—	—	—	—
Czechoslovakia	549,255.40	—	—	—
Dahomey	15,854.89	—	—	—
Denmark	—	—	—	—
Dominican Republic	—	—	—	—
Ecuador	—	—	—	—
El Salvador	—	—	—	—
Ethiopa	—	—	—	—
Federation of Malaya	—	—	—	—
Finland	—	—	—	—
France	—	—	—	—
Gabon	—	—	—	—
Ghana	—	—	—	—
Greece	6,633.67	—	—	—
Guatemala	32,203.00	9,601.00	—	—
Guinea	25,682.00	—	—	—
Haiti	24,949.00	23,582.00	19,436.00	1,667.00
Honduras	25,835.00	3,303.00	—	—
Hungary	365,819.00	259,841.00	—	—
Iceland	—	—	—	—
India	—	—	—	—
Indonesia	—	—	—	—
Iran	—	—	—	—
Iraq	—	—	—	—
Ireland	—	—	—	—
Israel	—	—	—	—
Italy	—	—	—	—
Ivory Coast	—	—	—	—
Japan	—	—	—	—
Jordan	—	—	—	—
Laos	24,746.00	—	—	—

I. STATUS OF CONTRIBUTIONS DUE TO THE UNITED NATIONS REGULAR BUDGET-*concluded*

Member States	1962	1961	1960	1959
	US $	US $	US $	US $
Lebanon	—	—	—	—
Liberia	—	—	—	—
Libya	—	—	—	—
Luxembourg	—	—	—	—
Madagascar	—	—	—	—
Mali	—	—	—	—
Mexico	—	—	—	—
Morocco	—	—	—	—
Nepal	2,290.81	—	—	—
Netherlands	—	—	—	—
New Zealand	—	—	—	—
Nicaragua	25,958.00	2,831.18	—	—
Niger	26,175.00	13,925.00	—	—
Nigeria	—	—	—	—
Norway	—	—	—	—
Pakistan	140,000.00†	—	—	—
Panama	—	—	—	—
Paraguay	26,113.00	24,746.00	4,199.00	—
Peru	—	—	—	—
Philippines	—	—	—	—
Poland	—	—	—	—
Portugal	—	—	—	—
Romania	—	—	—	—
Saudi Arabia	—	—	—	—
Senegal	—	—	—	—
Somalia	—	—	—	—
South Africa	—	—	—	—
Spain	—	—	—	—
Sudan	2,392.00	—	—	—
Sweden	—	—	—	—
Syria*	32,356.00	—	—	—
Thailand	—	—	—	—
Togo	—	—	—	—
Tunisia	—	—	—	—
Turkey	—	—	—	—
Ukrainian Soviet Socialist Republic	—	—	—	—
Union of Soviet Socialist Republics	—	—	—	—
United Arab Republic	157,578.00	152,737.96	—	—
United Kingdom	—	—	—	—
United States of America	—	—	—	—
Upper Volta	—	—	—	—
Uruguay	65,655.00	60,000.00	—	—
Venezuela	—	—	—	—
Yemen	26,113.00	772.50	—	—
Yugoslavia	—	—	—	—
	6,079,947.39	1,014,018.33	25,138.00	1,667.00
Mauritania	26,182.00	2,686.00	—	—
Mongolia	—	—	—	—
Sierra Leone	—	—	—	—
Tanganyika	26,182.00	2,686.00	—	—
	6,132,311.93	1,019,390.33	25,138.00	1,667.00

* For the year 1961 assessments has been shown against the United Arab Republic.

† This balance represents an amount withheld by the Government pending allocation of a credit of $140,000 from the Working Capital Fund which is the subject of consultations between the Governments of India and Pakistan. In the meantime, the sum of $140,000 is being held in a suspense account by the United Nations.

II—STATUS OF CONTRIBUTIONS DUE TO THE UNITED NATIONS EMERGENCY FORCE SPECIAL ACCOUNT

Member States	1 January to 30 June 1962	1961	1960	1959	1958	1957	Total Due
	US $	US $	US $	US $	US $	US $	US $
Afghanistan	907.00	5,583.50	5,926.00	9,092.00	15,000.00	2,814.00	39.322.50
Albania	735.00	7,484.00	3,951.00	6,062.00	10,000.00	5,876.00	34.108.00
Argentina	18,442.00	103,291.00	109,594.00	168,180.00	285,000.00	171,869.00	856,376.00
Australia	—	—	—	—	—	—	—
Austria	—	—	—	—	—	—	—
Belgium	155,533.00	43,245.00	—	—	—	—	158,778.00
Bolivia	735.00	7,484.00	3,939.00	6,056.00	12,500.00	7,345.00	38,059.00
Brazil	—	—	—	—	—	—	—
Bulgaria	3,720.00	29,938.00	15,826.00	24,257.00	35,000.00	20,565.00	129,306.00
Burma	—	—	—	—	—	—	—
Byelorussian Soviet Socialist Republic	50,170.00	87,943.00	46,419.00	71,219.00	117,500.00	70,510.00	443,761.00
Cambodia	—	—	—	—	—	—	—
Cameroon	—	—	—	—	—	—	—
Canada	—	—	—	—	—	—	—
Central African Republic	—	—	—	—	—	—	—
Ceylon	—	—	—	—	—	—	—
Chad	777.00	—	—	—	—	—	777.00
Chile	4,765.00	25,125.00	26,643.00	35,269.00	—	—	91,802.00
China	217,133.00	466,207.50	989,797.00	759.151.00	1,252,500.00	505,048.00	4,189,836.50
Colombia	—	—	—	—	—	—	—
Congo (Brazzaville)	777.00	7,524.00	444.00	—	—	—	8,745.00
Congo (Leopoldville)	1,362.00	—	—	—	—	—	1,362.00
Costa Rica	735.00	3,722.00	3,171.09	—	—	—	7,628.09
Cuba	4,008.00	46,778.00	24,679.00	37.874.00	65,000.00	12,662.00	191,001.00
Cyprus	—	—	—	—	—	—	—
Czechoslovakia	113,093.00	162,787.00	85,983.00	131,856.00	205,000.00	123,393.00	822,112.00
Dahomey	777.00	381.93	—	—	—	—	1,158.93
Denmark	—	—	—	—	—	—	—
Dominican Republic	919.00	9,356.00	—	—	—	—	10.275.00
Ecuador	—	—	—	—	—	—	—
El Salvador	724.00	4,653.00	—	—	—	—	5,377.00
Ethiopia	907.00	5,583.50	5,868.00	9,067.00	27,500.00	16,159.00	65,084.50
Federation of Malaya	—	—	—	—	—	—	—
Finland	—	—	—	—	—	—	—
France			—	—	—	—	—

Gabon	—	—	—	—	—	—	—
Ghana	—	—	—	—	—	—	—
Greece	—	—	—	—	—	—	—
Guatemala	919.00	4,653.00	4,915.00	7,566.00	—	—	18,053.00
Guinea	735.00	7,484.00	—	—	—	—	8,219.00
Haiti	735.00	3,722.00	3,951.00	6,062.00	—	—	14,470.00
Honduras	735.00	3,722.00	3,951.00	—	—	—	8,408.00
Hungary	54,126.00	78,587.00	41,516.00	63,627.00	97,500.00	67,572.00	402,928.00
Iceland	—	—	—	—	—	—	—
India	—	—	—	—	—	—	—
Indonesia	—	—	—	—	—	—	—
Iran	—	—	—	—	—	—	—
Iraq	1,654.00	16,840.00	8,854.00	13,623.00	30,000.00	5,627.00	76,598.00
Ireland	—	—	—	—	—	—	—
Israel	—	—	—	—	—	—	—
Italy	—	—	—	—	—	—	—
Ivory Coast	—	—	—	—	—	—	—
Japan	—	—	—	—	—	—	—
Jordan	735.00	7,484.00	3,951.00	6,062.00	10,000.00	5,876.00	34,108.00
Laos	735.00	2,987.00	—	—	—	—	3,722.00
Lebanon	919.00	4,653.00	4,938.00	7,576.00	1,759.00	—	19,845.00
Liberia	—	—	—	—	—	—	—
Libya	735.00	7,484.00	3,951.00	6,062.00	10,000.00	5,876.00	34,108.00
Luxembourg	—	—	—	—	—	—	—
Madagascar	—	—	—	—	—	—	—
Mali	15.50	—	—	—	—	—	15.50
Mexico	13,629.00	132,849.00	70,158.00	107,564.00	170,000.00	32,828.00	527,028.00
Morocco	—	—	—	—	—	—	—
Nepal	735.00	200.20	—	—	—	—	935.20
Netherlands	—	—	—	—	—	—	—
New Zealand	—	—	—	—	—	—	—
Nicaragua	735.00	2,595.75	—	—	—	—	3,330.75
Niger	777.00	3,762.00	444.00	—	—	—	4,983.00
Nigeria	—	—	—	—	—	—	—
Norway	—	—	—	—	—	—	—
Pakistan	—	—	—	—	—	—	—
Panama	735.00	3,722.00	3,939.00	6,056.00	12,500.00	1,289.00	28,241.00
Paraguay	735.00	3,722.00	3,951.00	6,062.00	10,000.00	5,876.00	30,346.00
Peru	1,826.00	20,582.00	10,817.00	16,649.00	37,500.00	7,034.00	94,408.00
Philippines	485.00	—	—	—	—	—	485.00

Member States	1 January to 30 June 1962	1961	1960	1959	1958	1957	Total Due
	US $	US $	US $	US $	US $	US $	US $
Poland	60,854.00	256,343.00	135,134.00	207,514.00	380,000.00	229,159.00	1,269,004.00
Portugal	—	—	—	—	—	—	—
Romania	30,816.00	63,618.00	33,406.00	51,442.00	122,500.00	73,448.00	375,230.00
Saudi Arabia	1,297.00	11,227.00	5,915.00	9,087.00	17,500.00	10,283.00	55,309.00
Senegal	971.00	—	—	—	—	—	971.00
Somalia	—	—	—	—	—	—	—
South Africa	—	—	—	—	—	—	—
Spain	15,720.00	174,013.00	91,643.00	140,826.00	277,500.00	167,462.00	867,164.00
Sudan	1,297.00	11,227.00	5,868.00	9,067.00	27,500.00	16,159.00	71,118.00
Sweden	—	—	—	—	—	—	—
Syria*	915.00	—	—	—	20,000.00	11,752.00	32,667.00
Thailand	2,940.00	—	—	—	—	—	2,940.00
Togo	777.00	3,762.00	444.00	—	—	—	4,983.00
Tunisia	—	—	—	—	—	—	—
Turkey	—	—	—	—	—	—	—
Ukrainian Soviet Socialist Republic	191,019.00	336,801.00	177,778.00	272,747.00	450,000.00	271,759.00	1,700,104.00
Union of Soviet Socialist Republics	1,444,204.00	2,548,457.00	2,706,146.00	2,063,805.00	3,405,000.00	2,050,676.00	14,218,288.00
United Arab Republic	4,574.00	59,876.00	31,477.00	48,432.00	87,500.00	52,883.00	284,742.00
United Kingdom of Great Britain and Northern Ireland	—	—	—	—	—	—	—
United States of America	—	—	—	—	—	—	—
Upper Volta	777.00	7,524.00	444.00	—	—	—	8,745.00
Uruguay	2,010.00	11,167.00	11,806.00	—	—	—	24,983.00
Venezuela	—	—	—	—	—	—	—
Yemen	735.00	7,484.00	3,951.00	6,062.00	10,000.00	5,876.00	34,108.00
Yugoslavia	—	—	—	—	—	—	—
	2,376,825.50	4,813,634.38	4,691,588.09	4,313,974.00	7,201,759.00	3,957,676.00	27,355,456.97
Mauritania	780.00	416.00	—	—	—	—	1,196.00
Mongolia	780.00	416.00	—	—	—	—	1,196.00
Sierra Leone	—	—	—	—	—	—	—
Tanganyika	780.00	416.00	—	—	—	—	1,196.00
	2,379,165.50	4,814,882.38	4,691,588.09	4,313,974.00	7,201,759.00	3,957,676.00	27,359,044.97

* For the years 1959, 1960 and 1961 assessments have been shown against the United Arab Republic.

III. STATUS OF CONTRIBUTIONS DUE TO THE CONGO AD HOC ACCOUNT

Member States	1 November 1961 to 30 June 1962	1 January to 31 October 1961	14 July to 31 December 1960	Total Due
	US $	US $	US $	US $
Afghanistan	7,949.00	11,887.00	14,529.50	34,365.50
Albania	6,366.00	7,925.00	19,373.00	33,664.00
Argentina	160,664.00	219,911.00	18,797.00	399,372.00
Australia	—	—	—	—
Austria	359,637.00	65,335.00	—	424,972.00
Belgium	958,903.00	1,287,766.00	629,615.00	2,876,284.00
Bolivia	6,366.00	7,925.00	19,373.00	33,664.00
Brazil	163,940.00	202,080.00	44,922.50	410,942.50
Bulgaria	31,865.00	31,699.00	77,491.00	141,055.00
Burma	—	—	—	—
Byelorussian Soviet Socialist Republic	415,604.00	465,577.00	227,630.00	1,108,811.00
Cambodia	6,366.00	7,925.00	13,007.00	27,298.00
Cameroon	—	—	—	—
Canada	—	—	—	—
Central African Republic	—	—	—	—
Ceylon	—	—	—	—
Chad	6,396.00	6,418.50	—	12,814.50
Chile	41,372.00	53,492.00	65,383.00	160,247.00
China	1,823,774.00	2,481,426.00	1,446,543.50	5,751,743.50
Colombia	—	—	—	—
Congo (Brazzaville)	6,396.00	7,925.00	2,131.00	16,452.00
Congo (Leopoldville)	11,196.00	—	—	11,196.00
Costa Rica	6,366.00	7,925.00	9,686.50	23,977.50
Cuba	34,989.00	49,529.00	121,080.00	205,598.00
Cyprus	—	—	—	—
Czechoslovakia	935,266.00	861,813.00	421,358.00	2,218,437.00
Dahomey	6,246.06	—	—	6,246.06
Denmark	—	—	—	—
Dominican Republic	7,958.00	9,905.00	24,216.00	42,079.00
Ecuador	5,190.75	—	—	5,190.75
El Salvador	6,358.00	9,905.00	—	16,263.00
Ethiopia	7,949.00	11,887.00	14,529.50	34,365.50
Federation of Malaya	—	—	—	—
Finland	—	—	—	—
France	4,746,601.00	6,339,772.00	3,099,642.00	14,186,015.00
Gabon	—	—	—	—
Ghana	—	—	—	—
Greece	—	—	—	—
Guatemala	7,958.00	9,905.00	12,108.00	29,971.00
Guinea	6,366.00	7,925.00	19,373.00	33,664.00
Haiti	6,366.00	7,925.00	9,686.50	23,977.50
Honduras	6,366.00	7,925.00	9,686.50	23,977.50
Hungary	447,646.00	83,210.00	203,414.00	734,270.00
Iceland	—	—	—	—
India	—	—	—	—
Indonesia	—	—	—	—
Iran	31,823.00	41,605.00	25,853.50	99,281.50
Iraq	14,324.00	17,831.00	43,589.00	75,744.00
Ireland	—	—	—	—
Israel	—	—	—	—
Italy	—	—	—	—
Ivory Coast	—	—	—	—
Japan	—	—	—	—
Jordan	6,366.00	7,925.00	19,373.00	33,664.00
Laos	6,366.00	7,925.00	3,320.50	17,611.50
Lebanon	7,958.00	4,150.02	—	12,108.02
Liberia	—	—	—	—
Libya	—	—	—	—
Luxembourg	7,949.00	—	—	7,949.00
Madagascar	6,394.00	10,936.00	—	17,330.00

III. STATUS OF CONTRIBUTIONS DUE TO THE CONGO AD HOC ACCOUNT—*concluded*

Member States	1 November 1961 to 30 June 1962	1 January to 31 October1 961	14 July to 31 December 1960	Total Due
	US $	US $	US $	US $
Mali	6,396.00	7,925.00	—	14,321.00
Mexico	117,801.00	140,664.00	343,866.00	602,331.00
Morocco	22,282.00	27,736.00	67,805.00	117,823.00
Nepal	6,366.00	137.16	—	6,503.16
Netherlands	—	—	—	—
New Zealand	—	—	—	—
Nicaragua	6,366.00	7,925.00	9,686.50	23,977.50
Niger	6,396.00	7,925.00	1,065.50	15,386.50
Nigeria	—	—	—	—
Norway	—	—	—	—
Pakistan	—	—	—	—
Panama	6,366.00	7,925.00	9,686.50	23,977.50
Paraguay	6,366.00	7,925.00	9,686.50	23,977.50
Peru	15,907.00	21,793.00	26,637.50	64,337.50
Philippines	—	—	—	—
Poland	510,845.00	678,553.00	663,517.00	1,852,915.00
Portugal	25,431.00	39,624,00	96,864.00	161,919.00
Romania	255,713.00	336,800.00	164,668.00	757,181.00
Saudi Arabia	11,149.00	11,887.00	29,059.00	52,095.00
Senegal	7,994.00	—	—	7,994.00
Somalia	6,396.00	1,111.07	—	7,507.07
South Africa	423,528.00	554,730.00	271,219.00	1,249,477.00
Spain	136,816.00	184,250.00	450,417.00	771,483.00
Sudan	—	—	—	—
Sweden	—	—	—	—
Syria*	7,955.00	—	—	7,955.00
Thailand	25,465.00	—	—	25,465.00
Togo	6,396.00	7,925.00	1,065.50	15,386.50
Tunisia	—	—	—	—
Turkey	—	—	—	—
Ukrainian Soviet Socialist Republic	1,582,482.00	1,783,061.00	871,774.00	4,237,317.00
Union of Soviet Socialist Republics	11,964,509.00	13,491,828.00	6,596,425.00	32,052,762.00
United Arab Republic	39,775.00	63,398.00	154,982.00	258,155.00
United Kingdom	—	—	—	—
United States of America	—	—	—	—
Upper Volta	6,396.00	7,925.00	2,131.00	16,452.00
Uruguay	17,499.00	23,774.00	29,059.00	70,332.00
Venezuela	82,778.00	99,059.00	121,079.50	302,916.50
Yemen	6,366.00	7,925.00	19,373.00	33,664.00
Yugoslavia	60,505.00	69,341.00	169,512.00	299,358.00
	25,691,843.81	29,945,435.75	16,725,290.00	72,363,569.56
Mauritania	6,400.00	877.00	—	7,277.00
Mongolia	6,400.00	877.00	—	7,277.00
Sierra Leone	—	—	—	—
Tanganyika	6,400.00	877.00	—	7,277.00
	25,711,043.81	29,949,066.75	16,725,290.00	72,385,400.56

*For the years 1960 and 1961 assessments have been shown against the United Arab Republic.

HOUSE OF COMMONS

Thursday, June 6, 1963

The house met at 2.30 p.m.

PRIVILEGE

MR. BALDWIN—REPORT OF PROCEEDINGS IN HOUSE YESTERDAY

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I rise on a question of privilege which I submit affects the rights and privileges of all hon. members of the house. My question of privilege is based upon the report of yesterday's proceedings in the house as recorded in *Votes and Proceedings,* which I have before me. I have particular reference to the motion for production of papers of the hon. member for Winnipeg North Centre which was discussed and voted on.

My submission in brief, and I propose to support it by precedents, rulings and other resolutions, is that this report in *Votes and Proceedings* constitutes a condonation and, more than that, will be a perpetual record of what I submit with respect was a nullity in so far as the proceedings of the house are concerned, or certainly an irregularity, possibly an irregularity which could or might have been cured by the proper record in *Votes and Proceedings.*

Having made that point, I should like to proceed to establish the question of privilege. The particular motion is one which I think Your Honour and all members will agree is not debatable, and not being debatable it is not susceptible to amendment. There can be no amendment of any such motion for the production of papers. There can be no amendment, of course, because no one can debate the motion; therefore no one can move an amendment.

Over the past number of years, however, a practice has grown up under which ministers of the crown, in dealing with such motions, make certain reservations. These, in fact, constitute amendments. I propose to refer to a ruling to that effect. In spite of that statement, as Your Honour knows, an amendment to the motion can be put with the unanimous consent of the house. It is on that basis that this practice has been enshrined in the proceedings of the House of Commons.

Now I should like to refer Your Honour to a particular motion in 1961 for the production of certain orders made under the Customs Act. At that time the matter was considered by His Honour Mr. Speaker Michener, and the report of the proceedings is to be found on pages 2439, 2440 and 2441 of *Hansard.* Mr. Speaker Michener then said very distinctly, and I have the quotation here, that this practice is one which the house accepts, that is of allowing a minister of the crown to accept a motion with reservations, but only on the basis, as he says, of the unanimous consent of the members permitting this to be done. His words in making this ruling are very clear, and I quote:

> The other problem, that of amending a motion which is not debatable, has been dealt with by the house by unanimous consent, permitting the ministerial reservation to be expressed by the Chair when the motion is put. In effect a condition is attached to the motion with the unanimous consent of the house before the motion is put.

Now, bearing in mind that ruling, which I think has definitely been accepted through the years, we find in turning to the proceedings of yesterday than when Your Honour put this motion you did so in these words:

> Is it the pleasure of the house to adopt the said motion subject to the reservations or remarks of the minister?
>
> Some hon. Members: No.
>
> Mr. Diefenbaker: Not expurgated editions. Produce the record and that is fine.

Subsequently the motion with this reservation was put and was dealt with on that basis. I find on examing *Votes and Proceedings,* page 73, the motion is set out and then these words appear:

> And the question being put, the said motion, subject to the reservations expressed by the Honourable the Secretary of State for External Affairs, was agreed to on the following division:

My submission is that there was not, as is quite apparent from the record, unanimous consent to this motion being put or accepted, with the very vague reservations which the Secretary of State for External Affairs sought to attach. Consequently I suggest that this forms the basis for my proposition that the proceeding was a nullity.

However, this defect might have been cured, because yesterday there was a motion for the production of papers moved by the hon. member for Burnaby-Coquitlam relating to the establishment of a veterinary college. This motion also appears in yesterday's *Hansard* at page 691. The motion was accepted by the Minister without Portfolio

subject to certain reservations. Your Honour put the motion with these reservations, and it was accepted. However, when the motion appeared in *Votes and Proceedings* no conditions or reservations were attached.

In the limited time available I have searched the *Journals* of the House of Commons and I have yet to find cases where motions of this kind, with conditions attached such as those sought to be attached by the minister, are recorded in that way. Under those circumstances it is my submission that this particular record as it appears is wrong and should be expunged, of course without prejudice to the right of the hon. member for Winnipeg North Centre to move his motion again if he sees fit to do so.

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, the point of privilege raised by the hon. gentleman suggests two points to me. He argues that the proceeding yesterday was a nullity, the proceeding itself was a nullity, and therefore ought to be removed by some method from the records of the house.

I would point out it has been the practice in the house for many, many years to accept these motions subject to reservations which are frequently made by ministers, and that is the form in which the motion was put yesterday, subject to the reservations made by the Secretary of State for External Affairs.

At that particular time there was an opportunity on the part of any hon. gentleman who felt the privileges of the house were being overlooked, or indeed that order was being overlooked, to register an objection to the proceedings. No such action was taken at that time, and the house proceeded in the normal way to make a decision. A vote was taken and the house accordingly made a decision that these documents should be produced subject to the reservations made by the Secretary of State for External Affairs.

I suggest it is quite improper at this stage to raise a point of privilege on a matter that was dealt with yesterday by the house, with finality, namely by taking a vote. To me that seems to be the substantial point.

With regard to the second point made by the hon. gentleman, that the record of the proceeding in *Votes and Proceedings* included the phrase "subject to reservations", and that this in some way is not in accordance with past policy, I would point out this is not a substantial point because it has always been understood that a vote taken subject to reservations on a motion for the production of papers, and accepted subject to such reservations, has been reported by the house whether or not the particular qualification was included in *Votes and Proceedings*. Yesterday was the time to raise the point of privilege, and it is certainly improper at this time to seek to reverse a decision of the house taken yesterday by a formal vote.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker with respect to the matter of privilege that has been raised, I would say that the Minister of Labour has done us a service by making it clear that there are two points. I agree with the Minister of Labour with respect to the first point. What happened yesterday, happened. We cannot turn back the clock in this house. We learned that once before, some years ago. But with respect to the second point I think the hon. member for Peace River (Mr. Baldwin) has a point of privilege when he questions the manner in which the resolution of yesterday is recorded in *Votes and Proceedings*.

Actually, Mr. Speaker, there were four occasions yesterday when notices of motions for production of papers were passed subject to reservations stated by ministers. This happened in the case of the motion moved by my colleague the hon. member for Vancouver East (Mr. Winch), in the case of the motion moved by my colleague the hon. member for Comox-Alberni (Mr. Barnett), in the case of the motion moved by the hon. member for Burnaby-Coquitlam (Mr. Douglas) and it happened in the case of my motion which is now under discussion. If one looks at *Votes and Proceedings* for yesterday one will discover that in the other three cases there is no reference in *Votes and Proceedings* to the fact that reservations were made by the ministers concerned. It is only in the case of my motion that this clause is added in *Votes and Proceedings*.

I might also point out that on Tuesday, May 21, there was before this house a subamendment moved by the leader of this group. On that occasion a vote was called and the Leader of the Opposition (Mr. Diefenbaker) indicated that he was voting for the subamendment on the understanding that it included certain words. There is no reference in *Votes and Proceedings* of that day to the inclusion of those words; the vote was on the motion as it was put from the chair by Your Honour. I submit, therefore, that the second point raised by the hon. member for Peace River has validity; that it would be a mistake to introduce into *Votes and Proceedings*, into the official records of this house, this phrase that something has been passed subject to reservations made by ministers.

As the Minister of Labour has pointed out, it is a long standing practice—maybe it is one which should have ceased many years ago, but we have had it for a long time—to accept motions on these conditions, and when

we do so the house understands that the return that is later brought down will be brought down in the light of the reservations that have been made.

The Minister of Labour is quite correct; we cannot turn the clock back and re-do what was done yesterday, but the hon. member for Peace River does have the right to raise today the question as to the form in which this incident is recorded in *Votes and Proceedings*. *Hansard,* which is not an official record of proceedings, records all the words that were said, but surely what is voted on by the house is the motion that was put, and since no amendment was made there could not be a vote on an amendment.

I think the record in *Votes and Proceedings* as to what happened to my motion should be the same as the record with respect to the other three motions of yesterday to which I referred, it being the understanding of the house that the reservations recorded in *Hansard* will be recognized when the document is brought down.

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, on the point of privilege raised by the hon. member for Peace River I would like to deal with point No. 1, which was not adequately dealt with by the Minister of Labour, who completely omitted any reference to the main point raised by the hon. member, namely that unanimous consent had not been given to the suggested amendment of the motion. It is quite true that the practice of governments and ministers of the crown has been to accept motions with certain reservations which are indicated at the time. The practice over the years has been, as long as I can remember, that the house accepts those reservations without comment, the reservations being restricted to documents which affect other governments or are of such a character that they cannot be disclosed. But in all instances, when a minister of the crown has accepted a motion with the reservations which he has expressed, the Speaker has then asked the opinion of the house and it has been quite normal for the house to agree.

However, in this particular instance—and this is something which has not come to the attention of the house within recent years—when the Speaker asked "Is it the pleasure of the house to adopt the said motion subject to the reservations or remarks of the minister?" some hon. members said "No". Obviously at that stage the proceedings deviated from what has been the practice of the house in the past. As a matter of fact, prior to that, when Mr. Speaker said "In the circumstances I shall put the motion subject to the reservation", I myself asked "What reservation?", and the Leader of the Opposition said "What kind of reservation?"

After the second inquiry of Mr. Speaker whether the motion should be adopted subject to the reservation, some hon. members said "No". The Leader of the Opposition intervened and expressed a negative. "Not expurgated editions," he said. "Produce the record and that is fine." At that stage the motion was put to the house.

I suggest to you, sir, that more could hardly have been done. What more could hon. members do than to express a negative in reply to the proposition put before them by Mr. Speaker? At that stage action was required. The hon. member for Winnipeg North Centre and the Minister of Labour both said we have missed our opportunity. What should we have done at that particular moment; raised a series of points of order or questions of privilege?

A motion for the production of papers is the same as any other motion, subject to the practice which has prevailed over the years of ministers of the crown adding restrictive reservations. Such a motion would have to be amended in the proper form in the same way all substantive motions are amended before they can be adopted by the house. I think serious consideration will have to be given to this particular record in *Hansard* or we shall have established a precedent which it will be very difficult to sustain, and which might throw out entirely the practice of the house which has grown up over the years in dealing with these motions for the production of papers.

Mr. H. A. Olson (Medicine Hat): There seems to be an essential difference between this motion as passed by the house yesterday and most of those motions which have contained reservations of the kind referred to by other hon. members. Usually such reservations are based on securing the consent of other persons involved with respect to documents whose production is sought. But if I understand the situation which developed yesterday, it is not a matter of obtaining the consent of anyone, except hon. members in the government, before these documents can be produced. It is a matter of discretion on the part of the Secretary of State for External Affairs, who made it abundantly clear that the information sought in the motion was probably contained in some documents which he felt he could not reveal in their entirety. Thus when you come to examine this question, Mr. Speaker, I suggest you consider

that there is an important distinction attaching to this motion as opposed to motions with respect to which the usual reservations are made.

I wish to make one further point, and in doing so I am in agreement with the Minister of Labour. It was the understanding of the house what the reservations were to be. As a matter of fact several hon. members asked on a number of occasions that these reservations should be spelled out, and, while they may not have been explained to the satisfaction of those hon. members, the house did nevertheless accept the motion on the basis that the reservations had been explained.

Hon. George C. Nowlan (Digby-Annapolis-Kings): I think this is an important matter for the records of the house because obviously, as has been pointed out by the hon. member for Peace River, if we allow it to pass we should perhaps be creating a precedent which would have to receive serious consideration by future Speakers and by the house generally.

I was a little surprised that the Leader of the House did not deal with this question. I recall a matter which was raised last session which I suggest with deference, Mr. Speaker, you may wish to consider. Strangely enough I believe it was the hon. member for Winnipeg North Centre who moved for the production of papers of a certain kind. I accepted the motion "with the usual reservations" and the hon. member for Winnipeg North Centre, supported by the present leader of the house, immediately fell on me like a ton of bricks and said "What are the usual reservations? We cannot pass this motion with the phrase 'with the usual reservation'. You must define what the usual reservations are." Mr. Speaker Michener took it under consideration and later ruled that the usual reservations "could only be privileged documents or obtaining consent to tabling correspondence".

I think the present house leader made a very strong and undoubtedly a very proper legal argument at that time on that point, and that might be why he is silent today and it might be a precedent, Mr. Speaker, which you would like to consider if you are reviewing this matter further today.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, if Your Honour proposes to take the matter under advisement there is one other feature I should like to point out. I believe that if a reservation is made it should be spelled out in such a way that it can be understood. In this particular case two suggestions were made. The first was that perhaps the minister would produce a summary, and second, perhaps he would produce extracts. In the end the minister said that he would give consideration to these suggestions, and this is to be found at the bottom of page 689 of *Hansard*. He said:

> I have said that we would give consideration to that. I did not say we would do it.

Mr. Speaker, what I am pointing out is that in my belief, which I expressed following the vote, there was no reservation at all. There was a statement of the minister that he would think something over, and in the result he has put something over. I think that is not uncommon for him. I believe the reservation ought to have been spelled out, and in any case there was no unanimous consent to the motion being put with a reservation.

Hon. D. S. Harkness (Calgary South): Mr. Speaker, in connection with this matter I should like to draw to your attention that I think there is very grave doubt as to what we actually voted on yesterday. Personally I was in the position of not knowing on what we were voting, and I think the hon. member for Parry Sound-Muskoka (Mr. Aiken) indicated the same thing. As a result, not knowing the implications of the vote, I did not vote yesterday.

However, it seems to me that if we voted on anything, if we paid any attention to the reservations which were expressed, then what we voted on and what was agreed to by the house was that the minister of external affairs would give consideration to two courses of action. I doubt very much that this is a proper type of vote to be taken in the house. Also, as far as the official record is concerned, it shows that the house voted in favour of a motion to produce certain papers which the Secretary of State for External Affairs himself stated could not be produced. Therefore I think we are in an extremely ambiguous situation as far as this vote is concerned, and that the government has put itself in a particularly invidious position.

Mr. Terry Nugent (Edmonton-Strathcona): Mr. Speaker, as I recall it, once before the Speaker ruled on this sort of matter, and it seems to me that the legality of the reservation is taken to be that instead of the hon. member having to go back and amend his motion and put it properly, so the motion for the production of papers will contain the proper reservation, it has been taken that by saying "with the usual reservations" it is an amendment of the motion, and with unanimous consent it can be put in that way.

The point came up before owing to doubt as to the nature of the reservations. Therefore the previous Speaker usually accepted only those reservations where the house was sure

there could not be any misunderstanding as to the type of reservations the motion would contain, and anything other than the usual type of reservations would mean that the motion would have to be withdrawn, and put on the order paper in the proper form to describe exactly on what we were voting, and then the motion could be put. I suggest that the obtaining of unanimous consent is necessary for the handling of a motion for production of papers if it is to be put in anything other than the words in which the motion itself is expressed. No such consent being obtained yesterday, the amendment certainly could not apply whatever else we voted on.

Mr. Speaker: Are there any other hon. members who wish to express opinions?

Mr. MacEachen: Mr. Speaker, I wish to deal briefly with a number of points made by hon. gentlemen opposite. I think the fundamental point has been restated by the hon. member for Winnipeg North Centre, namely that the house took a decision. It completed a proceeding yesterday. It consented to this proceeding, and it is impossible today to reverse that particular decision. That is quite clear and is amply confirmed by the authorities to which we have had regard for a good many years.

The point has been made that in some way this motion was amended, that unanimous consent was sought for permission to amend the motion and that the house withheld that unanimous consent. I do not think a reading of the record will support that contention, because on page 869 of *Hansard* Mr. Speaker is reported as saying:

> Is it the pleasure of the house to adopt the said motion subject to the reservations or remarks of the minister?
>
> Some hon. Members: No.

So at that point hon. members were saying no to the adoption of the motion, not to the proposal that unanimous consent be given.

Some hon. Members: No, no.

Mr. MacEachen: If I may say so, the Leader of the Opposition obviously accepted the regularity of that proceeding, because his comment following the putting of the motion by Your Honour was as follows:

> Mr. Speaker, if I might rise, I suggest that the reservations be included in the motion.

There was no suggestion at that point by the right hon. gentleman that there was any irregularity in the proceeding. If an irregularity had been detected, then that was the point at which to raise it, not 24 hours later after a decision has been taken by the house.

I will conclude by referring to the precedent mentioned by the hon. member for Digby-Annapolis-Kings in reference to a similar occasion when he was asked to define "usual reservations". I think it was perfectly proper for the present house leader and for other hon. members to ask the then minister to specify what "usual reservations" meant, and that was done. The words used yesterday in this motion were not "usual reservations" but "subject to the reservations of the Secretary of State for External Affairs". In the text of *Hansard* there is a clear qualification to the acceptance of the motion stated by the Secretary of State for External Affairs, namely that he would give consideration to the suggestions made by the hon. member for Winnipeg North Centre and the hon. member for Burnaby-Coquitlam as to the possibility of extracting passages that would meet their request. That was the particular reservation which Your Honour mentioned in putting the motion.

I may add that the text of *Hansard* for yesterday does not support the view that this motion was amended in any particular way. It was not, because if it had been the amendment would have been contained in the text of the motion itself. The motion was passed, subject to reservations understood by all hon. members of the house.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I would not have been drawn into this had it not been for reference to me on the part of the Minister of Labour. I would point out that what I said, as reported on page 689 of *Hansard*, was:

> Mr. Speaker: Is it the pleasure of the house to adopt the said motion, subject to the reservations or remarks of the minister?
>
> Some hon. Members: No.
>
> Mr. Diefenbaker: Not expurgated editions.
>
> It was "not extracted selections".
>
> Produce the record and that is fine.

In other words my stand was very clear. We would pass the motion as such but not accept reservations. We would not allow the government, or any minister of the government, to determine what portion of the record was to be produced. In other words there was to be no selectivity, but a comprehensive return would be accepted. That is my answer to the suggestion made by the hon. gentleman.

Mr. Speaker: Are there any other members who wish to speak? It is obvious to me that all members are intensely interested in this subject, and in some respects it is not an easy matter to decide. Without giving judgment at this moment I should like to refer hon. members to Beauchesne, fourth edition, pages 59 and 60, citation No. 70 and in particular paragraphs 1 and 4 dealing with points of order and to the effect that they should be raised immediately. However, in

view of the general interest and the importance of the matter I should like to reserve it and bring in a considered, reasoned statement later this day if possible.

Mr. Pugh: Mr. Speaker, would you take into consideration the fact that *Votes and Proceedings* were not published until today?

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, in considering your statement perhaps you would like to take into consideration the point that such a reservation may be in the nature of an amendment to the motion which in itself requires appropriate notice; therefore the amendment would require notice or unanimous consent of the house. This is a point I would raise for your consideration.

Mr. Speaker: I have already taken notice of the points mentioned.

NATIONAL DEFENCE

NATO—DISCUSSIONS RESPECTING MULTILATERAL NUCLEAR FORCE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, has the Prime Minister anything to report on the discussions with the representative of the United States on a multinational force or other force of that kind?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the representative of the United States government, Mr. Livingston Merchant, who is well known to many hon. members, is in Ottawa today to explain to the Canadian government, as he has explained already to other NATO governments, the purpose of the United States government as a member of NATO in putting forward a proposal which would provide for a multilateral nuclear force. Mr. Merchant went into the details of this matter at some length, as to what his government has in mind, and the discussions are continuing this afternoon and this evening. There is nothing I can report on those discussions at the present time.

Mr. Diefenbaker: I understand the answer given by the Prime Minister, but I wonder whether he could tell the house at this time if acceptance by Canada of the proposition advanced by Mr. Merchant would bring about an additional expenditure for defence in Canada of $40 million to $50 million?

Mr. Pearson: Mr. Speaker, that is a very hypothetical question indeed because no decision has been taken or will be taken for some time on this matter. But if a decision is taken, and I underline "if", it need not involve any additional expenditure at all, because it might result in a diversion of expenditure from one form of defence to another without any additional expenditure. However, certainly no decision of any kind has been made on this matter.

Mr. Diefenbaker: Mr. Speaker, the latter part of the answer makes for a further supplementary question. Is consideration being given to the alteration of Canada's role in defence toward greater emphasis on conventional weapons rather than nuclear weapons? Is that inference not inherent in the answer?

Mr. Pearson: Mr. Speaker, the government's position, which in this respect perhaps differs from the position of the previous government, is to emphasize the importance of conventional defences for NATO.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: Now we have the answer.

[*Later:*]

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I would like to address a question to the Prime Minister based on the statement he made earlier today to the house respecting the discussions that are going on about the proposed NATO nuclear force. Would he assure the house that this matter will be referred to parliament before any commitments are made by the Canadian government for Canadian participation in a mobile or any other type of launching platform for strategic nuclear weapons?

Mr. Pearson: Mr. Speaker, there will be ample opportunity for the defence committee of the house, if that committee is set up, to consider this whole question before any decision is taken on it by the government.

POWER

COLUMBIA RIVER—INQUIRY AS TO AGREEMENT BETWEEN FEDERAL AND PROVINCIAL GOVERNMENTS

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I should like to address a question to the genial Secretary of State for External Affairs. Have the government of Canada and the government of British Columbia in fact concluded an agreement with respect to the Columbia power development, as may be inferred from the remarks of Premier Bennett yesterday, who is reported to have said at a political rally at New Westminster, I believe, that he had saved the life of the Liberal government by coming to an agreement with them?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I can only repeat what I said yesterday, that there were discussions on Monday and Tuesday between the two governments. The government of Canada is giving consideration to matters which were discussed at the conference. I may say by way of parenthesis that we will not hesitate to make a decision, and we will not wait for the whole of our term of office before we make a decision.

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, arising out of the answer of the Secretary of State for External Affairs, I wonder whether I might direct a supplementary question to the appropriate minister in this regard, the Minister of Northern Affairs and National Resources. In view of the urgency of moving toward a decision on the Columbia river matter—

Some hon. Members: Oh, oh.

Mr. Hamilton: —would the minister consider making a progress report on the preliminary studies in connection with certain aspects of the trans-Canada transmission grid?

Mr. Chevrier: Which the former minister of justice agreed to make.

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, I do not see a great deal of relation between the two subjects. I must observe that the former minister of agriculture, it seems to me, had some difference of opinion with his leader in respect to the position of the federal government vis-à-vis the government of the province of British Columbia as to getting on with the job. I do not see a great deal of relation between the development of the Columbia river and the matter of the grid to which he has referred. However, I should like to read his remarks in *Hansard*, and if there is material in them that I should attempt to answer I will be glad to do so.

Mr. T. C. Douglas (Burnaby-Coquitlam): A supplementary question, Mr. Speaker, to the Secretary of State for External Affairs. In the instruments which have been prepared for the consideration of the government of British Columbia and the government of Canada, is there a provision for the sale of downstream power benefits?

Mr. Martin (Essex East): Mr. Speaker, it must be obvious to the hon. gentleman, who has had long experience in government, that during the stage of negotiations and until the government is in a position to make a decision, matters of this sort are not divulged. One could not possibly carry on government business if one were to discuss in public all the details of something now before the cabinet.

FISHERIES

NORTH PACIFIC TREATY—SELECTION OF CANADIAN DELEGATION

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. Could he tell the house why certain members of the advisory committee to the north Pacific fisheries commission were bypassed and ignored in the selection of the Canadian delegation which left today for Washington, D.C. to enter into discussions with representatives of Japan and the United States regarding the north Pacific fisheries treaty?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the Minister of Fisheries is in Washington today. I know the care that he has given to this matter. He has been anxious to see that representative fishing groups were given an opportunity to serve on this delegation. It would be a wrong conclusion to draw from what the hon. gentleman has said that there was any justification for his remarks.

[*Later:*]

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question for the Minister of Fisheries, but in his absence perhaps I could direct it to the Secretary of State for External Affairs. In view of the preliminary nature of the fishing treaty talks getting under way in Washington, would the government indicate that no official or formal announcements relative to a firm agreement will be issued by the Canadian delegation before this house, or the standing committee on marine and fisheries, is first informed of the matters concerned?

Mr. Martin (Essex East): Mr. Speaker, I did not hear my hon. friend's question. I thought I heard something about constitutional practice and that is something we recognize in this house. I did not hear the question. I shall take it as notice and reply to it tomorrow.

THE BUDGET

ANNOUNCEMENT OF PRESENTATION ON THURSDAY, JUNE 13

On the orders of the day:

Mr. Rodolphe Leduc (Gatineau): Mr. Speaker, I should like to direct a question to

the Minister of Finance. Has a date been set for the presentation of the budget?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I was not given notice of this question—

Some hon. Members: Oh, oh.

Mr. Gordon: —but I will do my best to answer it. I am hoping and expecting to present the budget on Thursday, June 13.

Mr. Knowles: I told you so.

Mr. Gordon: Yes, partly to please the hon. member for Winnipeg North Centre, but mainly because that was the date I had been working toward from the beginning. I propose to table the budget white paper and the economic review of 1962 next Tuesday.

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): I should like to ask the minister if there is any significance in the fact that the first budget of his reign of office will be introduced on the 13th?

Mr. Gordon: I do not happen to be suspicious—

Some hon. Members: Oh, oh.

Mr. Gordon: —I mean superstitious.

(Translation):

INDUSTRY

QUEBEC—ASSISTANCE IN ESTABLISHMENT OF STEEL PLANT

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to ask the Prime Minister whether he has the intention of helping the Quebec government to establish a steel plant, as the Minister of Justice said on March 20, 1963, in a statement of which I have a copy here.

(Text):

Right Hon. L. B. Pearson (Prime Minister): Perhaps this is not a question of sufficient urgency for orders of the day, but I am glad to inform my hon. friend that this government is always delighted to help the government of Quebec or any other provincial government on all appropriate occasions.

TRENTON, N.S.—PROTECTION OF COMPANY MANUFACTURING RAILWAY AXLES

On the orders of the day:

Mr. H. Russell MacEwan (Pictou): Mr. Speaker, I have a question which I think should be directed jointly to the Minister of Transport and the Minister of Trade and Commerce. It is prompted by a telegram which I have just received from the president of local 1231 of the united steel workers of America in Trenton, Nova Scotia.

In view of the report that axles for railway rolling stock are being imported from England at one half cent per pound cheaper than the Canadian manufacturing price, and in view of the fact that the forge axle plant at Trenton is the only plant in Canada manufacturing axles for rolling stock, would the ministers look into this most important matter to see whether the report is correct? If so, would either minister take some action to protect this industry which is so important for employment in that area?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I do not know whether the question should have been directed to me or one of my colleagues, but I can assure the hon. member we will look into the situation.

CANADIAN BROADCASTING CORPORATION

LEGAL OPINION WITH RESPECT TO CHAIRMAN OF BOARD

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): I should like to ask the Minister of Justice if he can give us any explanation for the curious and very unusual delay in the release by his department of the ruling regarding the position of Mr. Dunsmore in the Canadian Broadcasting Corporation.

Hon. Lionel Chevrier (Minister of Justice): I am not aware that there has been any delay. If my hon. friend has reference to a statement that appeared in the press in connection with a request having been made of the Department of Justice concerning certain matters, I can tell the hon. member at once that these allegations are completely untrue. No request was made of the Department of Justice for an opinion in this respect, save and except that which came from the Secretary of State on May 15, 1963. The opinion was given the next day.

Mr. Fisher: May I ask a supplementary question. May I ask the Secretary of State what occasioned the inquiry to the Department of Justice requesting this interpretation?

Hon. J. W. Pickersgill (Secretary of State): It is very simple. The hon. gentleman will recall that he and I, along with several other members of the previous parliament, questioned the legality of the bylaw and the legality of the appointment of someone other than the president of the corporation as chairman of the board. It was understood at that time that an attempt was to be made to obtain a legal opinion.

When I was vested with what responsibility I have in this matter, Mr. Dunsmore came to see me. I told him the first thing I was going to do was to seek a legal opinion as to whether he was the chairman of the board. I said there was nothing personal about this, but I believed a law made by this parliament had been broken, and I did not propose to have it broken any longer than was necessary. I wrote to the deputy minister of justice to get an opinion on the matter. I would be very glad to lay on the table a copy of my letter and the opinion of the deputy minister of justice if hon. members so desire. We do not take the view, on this side of the house, that when the legality of an action taken by the administration with respect to a law made by this parliament is questioned we should try to hide the legal opinion with respect to it.

Mr. Nowlan: I rise on a point of order. Surely the leader of the house has been here long enough to know that he cannot indulge in a debate and make accusations of that nature without any foundation whatever under the guise of answering a question. He should be called to order for it.

Hon. Marcel Lambert (Edmonton West): May I ask a supplementary question. Perhaps while the Secretary of State is rendering legal opinions he would advise the house since when the bylaws of the Canadian Broadcasting Corporation have been the laws of this parliament.

Mr. Pickersgill: Without seeking to give any legal opinion, I believe it will be within the knowledge of every hon. member that the Canadian Broadcasting Corporation is a creature of this parliament, and it can only do those things which this parliament has given it the power to do.

Mr. Lambert: The same is true of any other corporation.

[*Later:*]

Mr. Pickersgill: Before orders of the day are concluded, may I supplement the answer I gave to the hon. member for Port Arthur by tabling my letter to the deputy minister of justice on May 15, and his letter of May 16.

Mr. Speaker: Is that agreeable to the house?

Some hon. Members: Agreed.

(Translation):

MONTREAL—CONSTRUCTION OF HEADQUARTERS BUILDING

On the orders of the day:

Mr. Georges Valade (St. Mary): Mr. Speaker, I should like to direct a question to the Secretary of State.

Could the Secretary of State inform the public by telling the house if the project concerning the construction of the C.B.C. building in the eastern part of Montreal will be carried out as planned by the Conservative government?

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, I think those operations will continue without delay, but I shall ask the C.B.C. to put us straight on that matter.

Mr. Valade: A supplementary question, Mr. Speaker. Could the Secretary of State tell the house if he has received any recent communication to that effect from the authorities of the city of Montreal?

Mr. Pickersgill: Mr. Speaker, I am not sure about that, but I shall make a little inquiry.

(Text):

EXTERNAL AFFAIRS

REPORTED ACTIVITIES OF GERMAN INDUSTRIAL GROUP

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I should like to address a question to the Secretary of State for External Affairs. On May 27 last I inquired whether he had any information in respect of the reported activities of a group of German industrialists who were carrying on a world wide campaign to promote the cold war. He said he would make inquiries, and I wondered if he had anything to report.

Hon. Paul Martin (Secretary of State for External Affairs): I thank the hon. member for putting his question again. I regret not having given him an answer. I have made inquiries and I can find no information on the question.

INQUIRY AS TO EFFECTIVE DATE FOR 12 MILE FISHING ZONE

On the orders of the day:

Mr. Robert Simpson (Churchill): I should like to direct a question to the Prime Minister with reference to the statement he made in the house on Tuesday last concerning the establishment of a 12 mile exclusive fisheries zone along the whole of Canada's coastline. In view of conflicting reports in the press and on radio, can the Prime Minister advise the house whether it is his intention to ensure that by mid-May, 1964, Canadian fishermen will have exclusive fishing rights in this new zone?

Inquiries of the Ministry

Right Hon. L. B. Pearson (Prime Minister): Yes, Mr. Speaker, it is our intention that Canadian fishermen will have the rights that they are entitled to in Canadian jurisdictional waters by, I think it is, mid-May of 1964.

[*Later:*]

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have a question for the Prime Minister also in connection with his statement of last Tuesday regarding the extension of the three mile fishing limit to 12 miles. In that statement he made reference to claims to historic fishing rights. Could he inform the house whether the government has determined approximately what period of time would be considered to constitute a valid claim for these rights?

Mr. Pearson: No, Mr. Speaker. That is a matter that will have to be considered when the negotiations take place. At present I believe the only countries that can make claim to historic or treaty fishing rights would be the United States and France, although there are other countries which claim traditional fishing rights, but they are not quite the same.

PARLIAMENT HILL

INQUIRY AS TO LOW-FLYING PLANES OVER CENTRE BLOCK

On the orders of the day:

Mr. Bert Leboe (Cariboo): I should like to direct a question to the Minister of Transport. Could he tell us whether or not it would be possible to avoid having low flying aircraft continually flying over this building? I feel a little uneasy in case somebody makes a slip.

Hon. G. J. McIlraith (Minister of Transport): I will take that question under advisement.

(Translation):

DOMINION-PROVINCIAL RELATIONS

REPORTED INTENTION TO CEASE EQUALIZATION PAYMENTS

On the orders of the day:

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I wish to direct a question to the President of the Privy Council. Does he intend to suggest to the Minister of Finance to abolish equalization payments to the poorer provinces, as he advocated at the convention of the Montreal St. Jean Baptiste society?

[Mr. Simpson.]

Hon. Maurice Lamontagne (President of the Privy Council): Mr. Speaker, I have never made such a statement, if I remember well.

Mr. Gregoire: Do you?

Mr. Pigeon: A supplementary question, Mr. Speaker. Can he state—

(Text):

Mr. Speaker: I am sure hon. members wish to co-operate with the Chair. There must be some sense of order and co-operation. If the hon. member wishes to pose a question will he address the Chair?

(Translation):

Does the hon. member wish to put a question?

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

Does the President of the Privy Council remember that he made that statement at a conference held in Montreal about March 20, 1962, by the St. Jean Baptiste societies?

Mr. Lamontagne: Mr. Speaker, I remember having delivered a lecture before members of the St. Jean Baptiste society in September 1961, not in 1962.

FINANCE

FULL EMPLOYMENT AS CAUSE OF INFLATION

On the orders of the day:

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, I should like to direct a question to the Minister of Finance. Does he still believe that full employment causes price inflation, according to what he has written in his report on Canada's economic prospects in 1957, and more particularly at the bottom of page 59?

(Text):

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I believe that chronic unemployment is something we should all do our very best to avoid, and I may have something to say about that next Thursday.

(Translation):

Mr. Gerard Chapdelaine (Sherbrooke): Mr. Speaker, I should like to direct a question to the Minister of Finance. In the preparation of the budget that he will present to us next week, did he take into account the decision taken by his party in February last to give Canada a debt-free money system?

[*Later:*]

Mr. Chapdelaine: Mr. Speaker, I wish to direct a question to the Minister of Finance but I notice he is outside the house.

Under the circumstances I shall direct my question to the Prime Minister and ask him whether the refusal by the Minister of Finance to answer my question a moment ago is to be interpreted according to the old saw "Silence is consent".

(Text):

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Robert C. Coates (Cumberland): Mr. Speaker, I would like to address a question to the Prime Minister. When can we expect the Minister of Agriculture to resume his duties in the House of Commons?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, that is obviously an improper question. The Minister of Agriculture is a very hard working minister, and he is doing his duty.

AIR TRANSPORT

CHARTER FLIGHTS WITHIN CANADA BY U.S. AIR LINES

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I would like to ask the Minister of Transport what action he is considering with regard to the urgent representations he received from the air transport association about the cutthroat competition of United States air lines in charter flights to and from border points, which is so harmful to Canadian companies?

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, yesterday we received a brief from the air transport association, but I would not want the hon. member's summary as contained in his question to be taken as an indication of any part of the contents of that brief. However, I can assure him that the contents of the brief are being considered very carefully by all the relevant authorities who are concerned with administering under various aspects the air policy of our country.

TRADE

JAPAN—REPORTED NEGOTIATIONS RESPECTING IRON ORE AND MACHINERY

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I would like to direct a question to the Minister of Trade and Commerce. Has the minister yet been able to secure a reply to the question asked by myself and the hon. member for Edmonton West (Mr. Lambert) on Tuesday last, concerning the possible involvement of the Export Credits Insurance Corporation with a rumoured large iron ore and machinery deal with Japan?

Inquiries of the Ministry

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, the reference made in the house was to a report of negotiations which were said to be taking place, I understand, between the Canadian Javelin Corporation, or one of its subsidiaries, and the Canadian government with respect to an agreement involving, as the press clipping said, enormous quantities of Canadian iron ore and Japanese machinery. I take it this is the reference in the question.

Mr. Nesbitt: That is correct.

Mr. Sharp: I have inquired, and I am informed that some months before the present administration took office there was correspondence between the Export Credits Insurance Corporation and this Canadian company, and that there have been informal contacts since, but at no stage have there been any negotiations.

(Translation):

MONTREAL—SUGGESTED CONSTRUCTION OF HIGHWAY

On the orders of the day:

Mr. Georges Valade (St. Mary): Mr. Speaker, I should like to ask a question of the Minister of Public Works to whom I apologize for not having given him notice in advance, but the matter is urgent, Mr. Speaker, as it has to do with the world's fair to be held in Montreal in 1967.

Has the Minister of Public Works received a communication or communications from the Quebec minister of highways with regard to building a throughway on Montreal island at a cost of $175 million?

In view of the importance of that question, I know that the minister will wish to answer.

Hon. J. P. Deschatelets (Minister of Public Works): The answer is no, Mr. Speaker.

[Later:]

Mr. Valade: I would like to ask a supplementary question. Following the answer given by the minister to the question I put a moment ago, I should like to know whether he proposes to accede to the request of the Quebec department of highways and give his agreement to the building of that throughway on Montreal island?

Mr. Deschatelets: The government's policy, Mr. Speaker, is to inform the house as soon as a decision is made.

Inquiries of the Ministry

(Text):

WORLD FAIR—REPRESENTATION OF INDIAN PEOPLE

On the orders of the day:

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I should like to answer a question asked yesterday by the hon. member for Skeena (Mr. Howard) with reference to the representation of our native Indian people at the world fair. I am pleased to inform him that the world fair corporation is planning to have every aspect of man's activity represented in the exhibits. I intend to draw to the attention of the appropriate officials the necessity of presenting exhibits which properly reflect the contribution of our Indian and Eskimo population.

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, in view of the fact that the minister has stated that the fair will portray every aspect of man's activities, is it the intention to keep children away from the fair?

Some hon. Members: Oh, oh.

NATIONAL PARKS

WOOD BUFFALO—NEGOTIATION RESPECTING CHANGE OF BOUNDARIES

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I have a question for the minister of northern affairs. Could the minister inform the house whether negotiations are proceeding with the government of Alberta with a view of redrawing the boundaries of Wood Buffalo national park?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, the only negotiations with the government were those under the previous dispensation, and they arose because of the fact that a considerable number of natural resources other than scenery are located in the park. I have not had any discussion or correspondence with the government of the province of Alberta, and I would like to think that the former minister would agree with me that the alienation of any national parks to whomsoever or for whatsoever purpose would only be undertaken after the most serious study. I can assure him that will be the case if this application comes to me.

Mr. G. W. Baldwin (Peace River): As a supplementary question, Mr. Speaker, if any such agreement is made with the province of Alberta, will it be submitted to parliament?

Mr. Laing: I would not want to answer that question, Mr. Speaker. I question whether that has been the practice in the past, but I will take the supplementary question as notice.

[Mr. Deschatelets.]

GARIBALDI, B.C.—INQUIRY AS TO DISCUSSIONS WITH B.C. PREMIER

On the orders of the day:

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, I have a question for the Minister of Northern Affairs and National Resources. I am sorry I have not given him notice. Can the minister inform the house whether discussions took place with Premier Bennett this week regarding the possibility of federal participation in the development of Garibaldi park?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): No, Mr. Speaker.

SUGAR

INFLUENCE OF PRICE INCREASES ON COST OF LIVING INDEX

On the orders of the day:

Mr. D. V. Pugh (Okanagan Boundary): Mr. Speaker, I have a question for the Minister of Trade and Commerce. As recorded at page 447 of *Hansard* of May 30 I asked him:

> Would the minister elaborate on the sugar question, and has he asked for information from his department and other government departments as to the amount of the rise in the cost of living index which the recent increases in sugar prices will occasion?

Has the minister a reply as yet?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I did not understand that the hon. gentleman intended to pursue the question. I have the information, and I will give it to him tomorrow.

Mr. Pugh: In the house, please.

CANADIAN CENTENNIAL

SUGGESTED MINTING OF GOLD COINS

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I wish to direct a question to the Minister of Finance inasmuch as the Royal Canadian Mint comes under his jurisdiction. I would ask the minister whether it is the intention of the government to give effect to part of our historical development during the centennial celebrations in 1967 by arranging for the minting of gold coins in that year.

Mr. Speaker: Order. I point out to hon. members that questions should be of immediate urgency, otherwise they should be put on the order paper. If the minister wishes to answer he may do so; if not, the question should be put on the order paper.

(Translation):

PUBLIC WORKS

USE OF FOREIGN HARDWOOD IN NEW BUILDINGS

On the orders of the day:

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, while I am on my feet I should like to answer a question which the hon. member for Pontiac-Temiscamingue asked me yesterday. No representation from the Canadian Wood Manufacturers' Association reached me with regard to the use of Canadian hardwood for carpentry or woodwork.

However, if such representations are made, I will certainly give them due consideration.

At all events, I take due note of the hon. member's recommendation.

(Text):

ARTS, LETTERS AND SCIENCES

ROYAL COMMISSION—REQUEST FOR REPRESENTATION OF ETHNIC GROUP

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for the Prime Minister. In appointing the royal commission on biculturalism will the Prime Minister recognize the one quarter to one third of the Canadian people of different ethnic origins who do not belong to either the French Canadian or Anglo Saxon element in Canada by the appointment of at least one member of the commission from an ethnic group?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, in statements made by myself and my colleagues we have already indicated our recognition of the interest in this study of that section of our population to which the hon. member refers.

Mr. Korchinski: May I ask a supplementary question, Mr. Speaker. In view of Premier Lesage's insistence that at least half of the commission members must be French Canadian, are we to conclude that any appointment must be made from the English section of Canada?

Mr. Speaker: Order. I cannot allow that type of question. That is not a question; it is an argument that is put forward.

TRANSPORT

FROBISHER BAY—REDUCTION OF DEPARTMENTAL STAFF

On the orders of the day:

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, yesterday the hon. member for the Northwest Territories (Mr. Rheaume) asked a question which is reported at page 694 of *Hansard*. The question is:

Inquiries of the Ministry

Will the decision of the United States air force to close its strategic air command base at Frobisher Bay, Northwest Territories, result in a reduction of the Department of Transport's staff? If so, will the minister assure the house that every federal government employee so affected will be given an opportunity to transfer elsewhere within the Department of Transport establishment?

The answer is that the closing of the SAC base will, unfortunately, result in a dislocation of federal government employees in the Department of Transport at Frobisher Bay. I can assure the house, however, that my department is exploring every opportunity to transfer employees so affected to other Department of Transport establishments, consistent with the availability of positions and the suitability of the employees concerned, and is offering positions elsewhere in the federal government service.

RAILWAY BRANCH LINES—APPLICATIONS FOR PERMISSION TO ABANDON

On the orders of the day:

Mr. R. R. Southam (Moose Mountain): Mr. Speaker, I should like to direct a question to the Minister of Transport. In view of the large number of applications being received by the Canadian board of transport commissioners for rail line abandonment, and more specifically the recent application of the C.P.R. to abandon the Stoughton branch line, would the minister advise the house when the government will take the necessary action to provide for orderly abandonment of these lines as advocated last January by the former government?

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, the government is taking action on this subject at the present time. I take it from the form of the hon. member's question, although there was other material included in it, that he is referring to the notices of intention to abandon certain lines in the three western provinces. I would point out to the hon. member that those notices of abandonment were prepared at the request of the former government, and this government has supported that request, so that in dealing with this question the government would know exactly what problems it has to face. At a meeting held last January of delegates from western Canada and the former government, such record as I have of it indicates that position quite clearly. It is a position, I am happy to say, in which I have concurred.

With regard to the notices of intention to apply for abandonment, a great many of them were brought forward in the last week. I take it that is what the hon. member's question has reference to, and if I am correct in that, I can assure him that the final

act of abandonment will not proceed in any case until the larger question of policy having to do with this subject matter is decided.

(Translation):

AGRICULTURE

FEED GRAIN—SUGGESTED PURCHASING POOL FOR EASTERN CANADA

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Minister without Portfolio, the member for Matapedia-Matane.

Since the Minister of Agriculture is probably at an auction somewhere, does the Minister without Portfolio intend to introduce a bill enabling the eastern provinces to set up a single body for the purchase of feed grains from the western provinces? In other words, will he authorize the establishment of a purchasing pool?

Hon. Rene Tremblay (Minister without Portfolio): Mr. Speaker, this involves an important question of government policy which will be announced later in the house.

(Text):

BREAD

REQUEST FOR INQUIRY INTO PRICE INCREASES

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question I should like to direct to the Minister of Justice. Last Monday the minister said that his department was looking into the question of the increase in the price of bread in Montreal, and was studying the matter with a view to finding out whether a formal inquiry under the act would be justified. My question is, can the minister tell us today whether a decision has been made in this regard?

Hon. Lionel Chevrier (Minister of Justice): I cannot add anything to what I said the other day, because the matter is under study at the present time. Until a decision has been taken I am afraid there is no information I can give the house.

UNITED NATIONS

REQUEST FOR REPORT ON WORK OF SPECIAL SESSION

On the orders of the day:

Mr. Heath Macquarrie (Queens): I should like to direct a question to the Secretary of State for External Affairs. I regret I have not given the hon. gentleman notice, but if he maintains the close and interested contact with the United Nations that his great predecessor did he will have no difficulty in replying. Is the minister in a position to make a progress report on the crucial negotiations at the special session regarding the urgent question of United Nations finances?

Hon. Paul Martin (Secretary of State for External Affairs): The question which the hon. gentleman has raised is, I know, one which he regards as being of great importance, as, indeed we all do, because of its relationship to the maintenance of the United Nations organization itself. Last week I made an interim report on this subject following my interview with the secretary general in New York. I may say discussions are still current and we are hopeful that an accommodation will be reached to provide for the peace keeping operations of the U.N., this year. The long term aspects remain undecided, however, and I do not, for the moment, have any reason for saying that any formula put forward with regard to the long term peace keeping operations of the United Nations has reached a hopeful stage.

ADMINISTRATION OF JUSTICE

QUEBEC—ARRESTS MADE WITHOUT CHARGES LAID

On the orders of the day:

Mr. R. Gordon L. Fairweather (Royal): I wonder if the Minister of Justice is now in a position to comment on my question to be found at page 694 of *Hansard* yesterday, referring to the F.L.Q. situation and the unorthodoxy of the procedures.

Hon. Lionel Chevrier (Minister of Justice): Yes, I shall be glad to do so. The rule, as I understand it, is that the Minister of Justice is responsible for the examination of acts and the statutes which are passed by this parliament through action either by himself or through the deputy minister. But in so far as other persons are concerned, these are matters about which advice should be sought from counsel acting for or on behalf of individuals.

I have seen from the press that these people now have no complaint to make. But even if they had, particularly with regard to statutes which are not under the jurisdiction of this parliament, I think they should consult their own lawyers, because the Minister of Justice does not give advice other than to inform parliament.

ROYAL CANADIAN MOUNTED POLICE

APPEAL BOARD TO DEAL WITH SECURITY CASES

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): I should like to direct a question to the Minister of Justice. On Monday evening last he said the government was giving serious consideration to setting up an appeal board to

hear cases which had been listed as security risks by the R.C.M.P. Is the hon. gentleman now in a position to say when the government will proceed with the setting up of such a board?

Hon. Lionel Chevrier (Minister of Justice): The question raised by the hon. member the other evening and again today is one which is important to us all, and a very serious one. This matter is now under active consideration. However, I have to tell the hon. gentleman that it is not one which can be determined overnight. Study must be given to it. I hope favourable consideration will be given to it, but I certainly cannot at this juncture, or at an early date, give a reply to the question asked by the hon. member.

Mr. Douglas: In view of the fact that there will be some delay, may I ask the minister if he would be prepared to conduct an investigation into the case of the young man who was dismissed from the air force and from subsequent positions as a result of having been labelled a security risk? The minister has already been good enough to deal with the Gordon Harry Knott case, and I wonder if he would be prepared to look into this other case.

Mr. Chevrier: I do not know if I have the name. If I have not, perhaps the hon. member would give it to me and then I would be pleased to look into it personally.

While I am on my feet, may I say that the hon. member for Nanaimo-Cowichan-The Islands asked the other day what disposition would be made of the file in the case of the young man, Mr. Knott, to whom he made reference. I am pleased to advise the house that the file has now been destroyed.

Mr. Douglas: I would be glad to give the minister the name of the man I had in mind. However, it is not really necessary. The commissioner of the R.C.M.P. mentioned the case in his letter to Mr. Sidney Katz following the article which appeared in *Maclean's* magazine, and that gentleman is reasonably familiar with the case, which is one I had taken up with a previous minister of justice.

Mr. Chevrier: I will look into it at once.

(Translation):

HOUSE OF COMMONS

REQUEST FOR REPLIES IN FRENCH TO QUESTIONS IN FRENCH

On the orders of the day:

Mr. Raymond Langlois (Megantic): Mr. Speaker, I should like to address a question to the Prime Minister. Considering the answers received to the questions put recently on the order paper and directed to various departments, does the Prime Minister intend to advise his ministers to answer in French the questions put on the order paper in French?

(Text):

Right Hon. L. B. Pearson (Prime Minister): Yes, I think that is a very good suggestion. I believe it is being followed, and I think it will be followed.

NATIONAL DEFENCE

APPOINTMENT OF SPECIAL COMMITTEE

The house resumed from Wednesday, June 5, consideration of the motion of Mr. Pearson:

That a special committee be appointed to consider matters relating to defence and to report from time to time its observations and opinions thereon; that the committee have power to send for persons, papers and records and to examine witnesses; that it be empowered to adjourn from place to place; that standing order 67 be suspended in relation to the committee; and that the committee consist of 24 members to be designated by the house at a later date.

Mr. H. W. Herridge (Kootenay West): Just prior to the adjournment of the debate last evening I had expressed the concern of the members of this group about the moral aspects of the acceptance of nuclear weapons by the government, and the concern felt by editors and other people in this country. I quoted from an editorial which appeared in the Victoria *Times* and from another which had appeared in the Vancouver *Sun*. The article in the Victoria *Times* referred particularly to the moral burden which was being imposed on the Canadian people by the acceptance of such weapons under these circumstances.

With respect to the military aspects of this question, the futility of this nuclear posture has been well explained by General Simonds, General Macklin, some generals in the United States and other well known authorities. The arguments put forward by these generals and others have been gone into thoroughly by the leader of this group, as well as by others, so there is no necessity to repeat what has been said in that respect. With regard to the economic grounds on which we oppose the acquisition of these weapons, certain increased costs have been incurred which are likely to rise still further when the government gets drawn even deeper into this particular NATO role. I trust the government will look thoroughly into the economic aspects of this acceptance of nuclear weapons.

I think this committee would provide an opportunity to review Canada's role in NATO in the light of changing circumstances. We are little wiser as a result of the North Atlantic Treaty Organization meeting in Ottawa.

In fact we have had to rely upon vague communiques which, we were informed fairly reliably, had been drawn up before the meeting was even held in Ottawa, together with certain pious platitudes uttered by the Secretary of State for External Affairs and other members of this government in explanation of what happened at that meeting. To indicate the platitudinous nature of what was put out officially, let me quote briefly what has been said by responsible newsmen who were sent to attend that meeting. On page 57 of United States *News and World Report* of June 3 four of these correspondents make brief references to their attendance at this conference. The news dispatch reads as follows:

> To fill in on the real significance behind all the words at that north Atlantic Alliance meeting just concluded in Ottawa, here is the report of our four member staff on hand for the sessions:
>
> U.S. is going to extraordinary lengths to keep the western alliance from falling apart. At Ottawa, U.S. decided to keep on paying most of the bills for NATO and to avoid showdowns with allies on nuclear strategy or anything else.
>
> Result: there was no firm action on issues long thought pressing.
>
> Hot issues were compromised—or postponed. Differences between allies were soft pedaled. Candor was lacking even in secret talks. Said an insider: "Once again, a crisis has been postponed at the cost of any real progress."
>
> In other words: Need for a forward line of defence in Europe seems much more important to the U.S. than it does to most of its allies on the spot.

Then the communique goes on to say:

> In short: U.S., at this time, is unwilling to risk pushing the western alliance into a political crisis. The alliance seems too shaky for that.
>
> So much for the Ottawa meeting. Fact is, Atlantic alliance is in such poor health that several western leaders are administering vitamins.

I think this committee, Mr. Speaker, must be told the facts and the truth about the situation as it is today, and not be content to rest on the information contained in vague communiques and pious platitudes uttered by ministers in the House of Commons, or as my leader has just said, on communiques which were practically completed before the meeting commenced. What a lot of shadow boxing, and at great expense. When NATO was formed the importance of article 2 was stressed and we were treated to syrupy doses of rhetoric on this article, particularly from the Prime Minister (Mr. Pearson). We placed confidence in the wording of article 2 and accepted the statements that something would be done. However, we all know that nothing has been done to date to give it effect, although it is a standard ritual at these conferences and annually in this house to pay homage to its value, and so on, and to express hopes with respect to the future.

I am now going to make a few suggestions with respect to questions which should be given careful consideration by the committee. I feel very keenly on this question and so do a good number of Canadians. I have done a lot of reading and have received a pile of correspondence about it. I suggest that the committee should give consideration to the morality of continuing to support some of the leading figures in NATO. During the discussions on German rearmament the present Prime Minister, on January 26, 1955, said this:

> The four top men who would have charge of the defence organization they are permitted would be Herr Blank, a trade union leader, Adolf Heusinger, never a nazi; Hans Speidel, a German general who was in the plot against Hitler and who was tortured in nazi prisons; while the officer in charge of military education and indoctrination has been described as a man of "glowing conscience" who truly wants to make a new democratic army that belongs to the people.

I think the facts and recent statements by some of these persons indicate that this was a very naïve attitude at that time on the part of the present Prime Minister, or he was completely uninformed.

I will give a few illustrations to prove my contention in this respect. Herr Blank was the minister of defence in West Germany at the time of the question of German rearmament. He was also a trade union leader. He was soon replaced by Mr. Strauss, who soon commenced to reveal his true attitude towards NATO. First of all, he surprised and worried all his allies by seeking training ground for German troops in Spain without consultation, second, recently by the arrest of editors of German papers who criticized defence policy. This action was well reported in the German press, and I give credit to the Germans who opposed this action on the part of their minister of defence on the ground that he had little understanding of the workings of democracy.

Then again, I should like to quote from the New York *Times* of May 15, 1961, an editorial entitled: "Strauss's Nightmare":

> No official has been unhappier than Herr Strauss over the recent suggestion in the United States that a Soviet attack should be met with conventional weapons to obtain a 'pause' in the fighting before any nuclear weapons could be employed. "It would give me holy terrors", Herr Strauss said recently during a parliamentary debate on the defence budget, "if I were to hear that a conventional attack was to be met only with conventional weapons, regardless of how big it is, how long it lasts, and what its political aim is."

This is the attitude of a person who acted previously without consulting his allies, and he clearly demonstrates that while his major allies are considering modifying the situation and reducing the risks by talking of using conventional weapons, he is practically saying

that if they were attacked they would use nuclear weapons to repulse that attack.

Then in this morning's *Globe and Mail* we find that he has agreed to train and equip Nigerian forces, again without consulting his allies. We have to respect the national rights of these people but this is something in the present world situation which should only be undertaken as a result of consultation and action through the United Nations on the basis of collective security. Action like this undertaken by Germany can only result in increasing incidents like those in Katanga. These armed forces can be used to repress the citizens of states who wish to advance the development of democracy, or give effect to the wishes of certain industrialists holding rights over their natural resources, and that sort of thing. I think we have seriously to question where we are going in this respect.

Now I come to a gentleman I mentioned before, on whom I have a large file supplied to me by the American Jewish congress, who supplied the same documents to Senator Morse in 1961. This is General Adolf Heusinger. The Prime Minister said that he was never a nazi. By George, if you read the record you will find he did all of the things the worst of the nazis were accused of doing.

The Acting Speaker (Mr. Batten): Order. An hon. member is rising on a point of order.

Mr. Matheson: Mr. Speaker, I would ask the Chair to consider whether what we are hearing from the hon. member has any relevance to or bearing upon the motion before this house. It brings to mind certain comments he made during the twenty fourth parliament, when there were present at that time people who were able to speak on these matters. Surely these are not issues before the house today. I would ask the Chair to bring the hon. member to order.

Mr. Douglas: Mr. Speaker, on the point of order we are discussing a resolution to set up a defence committee. The whole question of defence policy in Canada and what type of defence Canada should construct is a legitimate subject, I submit, for debate. As a matter of fact, when the Prime Minister was introducing this resolution he said it would be very difficult to draw the line between the technical aspects of defence and defence policy, or for that matter foreign policy. It is all part of the same picture. It seems to me this whole debate has concerned itself with defence policy and defence principles and to try to limit the debate now it seems to me would be most inappropriate.

Mr. Herridge: I am laying the basis for certain suggestions I wish to make for consideration of the committee, and I am placing some evidence on the record in that connection. Not long ago General Heusinger, addressing the Hansa club, a group of prominent West German businessmen, urged acquisition of nuclear weapons and said it was fortunate that it had taken so long to organize the new West German army, since today the second world war lies well in the past and the population had become psychologically ready to become soldiers again. I think we have to ponder this sort of statement because this means that the purpose and objectives of these generals are quite different from ours. They have a different approach entirely.

I should like to quote briefly from Senator Wayne Morse's remarks in congress. He dealt with this question at length on April 19, 1961. I am not going to repeat it at length again, but for the information of hon. members who do not know some of these things I want to say that democratic Senator Wayne Morse of Oregon came out strongly in the U.S. senate against the appointment of nazi General Adolf Heusinger as chairman of the NATO permanent military planning commission. He described the appointment as "a gross wrong to the thousands of American soldiers who lost their lives fighting against the nazis".

His protest was almost entirely ignored by the United States and Canadian press. My point in this respect is to indicate that while we strive for peace on the one hand and to create less tension in the world, the records, actions and statements of some very important people in NATO are working in the other direction and nullifying our efforts. I do ask the committee to give consideration to this aspect of our defence policy.

I want to say a word or two with reference to General Hans Speidel because the Prime Minister during the debate when this man was mentioned gave him a clean sheet. The Prime Minister was not informed. He said that Speidel was a German general who was in the plot against Hitler and who was tortured in nazi prisons. As a matter of fact, and I have seen the record, Manfred Rommel, son of Field Marshal Rommel, has exposed Speidel's role and in a statement clearly indicated that Speidel betrayed Field Marshal Rommel to the gestapo. The record proved that Speidel—

Mr. Cardin: Mr. Speaker—

Mr. Herridge: —deported over a thousand Jews and other persons from Paris—

Mr. Cardin: Mr. Speaker, on a point of order—

The Acting Speaker (Mr. Batten): Order. Is the hon. gentleman rising on a point of order?

Mr. Cardin: Yes, Mr. Speaker. I realize that a certain latitude was agreed upon in the discussion of this resolution but it would seem to me that the hon. member is now making comments on something which has absolutely nothing to do with defence policy in this country. Although I would not want to be unduly unfair to the hon. member, it would seem to me that there would be full justification for discussion of our own national defence problems without bringing into the discussion what may have taken place 20 years ago.

Mr. Douglas: On the point of order, Mr. Speaker, if the hon. member was following the hon. member for Kootenay West at all he would be aware of the fact that he is seeking to establish the point that alongside our preparations for defence there are elements within NATO and certainly within the German military regime that do not share the same views we have, or that some of the other members of NATO have. It seems to me that the hon. member's remarks are perfectly relevant to the subject. He is asking that the defence committee, when they are looking into the whole question of defence and the defence policy of Canada, keep these facts in mind.

Mr. Cardin: Mr. Speaker, I do not object and no hon. member objects to an hon. member laying a foundation upon which he can make a point, but what is happening now is that the foundation which the hon. member is building is taking so long he will not have time to make the point he intends to make.

Mr. Douglas: That is his problem.

Mr. Herridge: Mr. Speaker, I am simply dealing with certain statements made by the present Prime Minister during the debate on German rearmament in which he assured us of certain things which have proven inaccurate. I trust the hon. gentleman will hear me through.

The Acting Speaker (Mr. Batten): Order. I think the house will recognize that in discussing the formation of this defence committee it is a little difficult to differentiate between the two subjects and I know that it is difficult for the house to discuss this committee without at the same time discussing some aspects of defence. I would, however, ask the hon. member, who is laying the groundwork for his speech, to relate his speech as closely as possible to the need for the formation of this defence committee.

Mr. Herridge: Mr. Speaker, I have nearly completed the evidence along this line, having only a paragraph or two left. I am then going to make some suggestions based on my remarks and the evidence I have tried to present to the committee. I will challenge the hon. gentleman to claim what I am saying is not true.

Mr. Cardin: That is not the point.

Mr. Herridge: The record proves that Speidel deported over a thousand Jews and other persons from Paris and that receipt of these persons was acknowledged by Eichmann to his superior officers. That is in the record. It is a statement obtained from the nazi archives.

A documentary film entitled "Operation Teutonic Sword" was shown in Britain four or five years ago which dealt carefully with General Speidel's history and record. General Speidel sued the motion picture companies for libel but only on one statement in that whole record, that was the statement which claimed he was implicated in the death of King Alexander in Paris in 1934. He never challenged the rest of the evidence.

I have obtained my information from German citizens who were in Hitler's concentration camps, from people living in West Germany at the present time, from officers in the British military commission that served in Germany after the first world war and from Canadians who served in the Canadian forces in Germany in the last war, and some who served in recent years. I urge the committee to investigate this situation with respect to the leading figures in NATO because quite a number of Canadians are seriously concerned about it. I am not one who likes to see Canadian troops marching behind persons of this type or being required to salute them when they meet them. I think we are doing our cause great harm under these circumstances and by accepting these conditions. I know that many people in Canada are concerned about this situation.

I suggest that the committee should take ample time to delve into all aspects of defence expenditure. With an expenditure of over $500 million annually in NATO they should carefully examine all the capital and current expenditures that are required to maintain our contribution to that force. Europe is so crowded with troops at the present time, Mr. Speaker, that the present German government has had to seek permission from the governments of other countries

to train troops on their soil. This is a question that we should consider under the present circumstances.

With respect to the military situation I suggest that the committee must seek and obtain answers to the reason for the acceptance of a nuclear role by Canada and must discuss an alternative role for Canada in playing its part and making its contribution toward the preservation of world peace. I wish to quote again from today's *Globe and Mail* to indicate the attitude of the West German defence minister in dealing with this question of surface missile forces. I quote:

> One concern in Ottawa, however, is that participation in the multilateral force by Germany, which is enthusiastically backing the idea, may be only the first phase in Germany's acquisition of nuclear weapons under its own independent control. Under those circumstances the U.S. proposal would serve only to foster a course of action that it is designed to discourage.

The committee should go into that question thoroughly. Have we just taken one step with respect to the acquisition of nuclear weapons and are we going to take another step and yet another? We were told at one time by the present Prime Minister that his attitude was that we should accept our commitment. I do not believe there was any commitment that could be called a commitment in the usual sense of the word. At one time the Prime Minister said that the Liberals were going to renegotiate to later release Canada from this commitment. Now we have accepted nuclear weapons and are giving consideration to making further commitments. I think this committee must be given the facts and told the truth with respect to commitments and what is the intention of the government regarding the extension of the nuclear role in our defence.

Mr. Pugh: Commitment on what date?

Mr. Herridge: We have not been able to discover that yet. Again I say that with respect to the military aspects of the situation the committee must seek and obtain answers to the reason for the acceptance of a nuclear role.

Finally, Mr. Speaker, in view of the conduct of some of the senior officers of the forces prior to and during the recent election the committee should inquire into these departures from the traditional role of the defence forces of Canada. I talked to editors who came back from NORAD headquarters and I say without any hesitation that in my opinion senior officers of NORAD were taking part in the election campaign in Canada and completely violating the traditional role of our armed forces in this country.

An hon. Member: Nonsense.

Mr. Herridge: When they were saying that the government of Canada was wrong and the Liberal party right, I think that is campaigning. We have the editors of over 100 weekly newspapers going to NORAD and being brainwashed by the senior officers of the Royal Canadian Air Force and officers of the United States Air Force who were directly concerned. We have to make certain in the future that it is clearly understood that the civilian authority governs Canada, is responsible for policy and responsible for any statements made in relation to that policy.

I now conclude, Mr. Speaker. I know some hon. gentlemen think that I am rather hepped on one aspect of this question. However, I am very concerned, as a member of this parliament personally and as a result of conversations with a good many people in this country, that we make certain that our role is an honourable and proper role for Canada to play in the preservation of world peace.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, the house is discussing a matter of tremendous importance to our country and to the freedom of the free world. The numbers in the house would not give that indication, but the fact is that this is one of those debates in which each and every one of us who will not be on the committee in any event should have an opportunity of placing our views before the house and the country. If I had any doubt as to the need for my participation in this debate, it was removed this afternoon by the most unusual series of answers given by the Prime Minister (Mr. Pearson) regarding this very important question of nuclear weapons.

This committee, he said, would consider the whole question of the nuclear force. As I recall, and of course I have not seen the actual words, he said that no decision regarding that force in Europe would be made until a full discussion had taken place in this committee. Then, when I asked him a question I received from him an answer that becomes more surprising the longer the time passes between the answer that was given and the consideration I have been able to give to it. He said, in effect that, different from the previous government, this government emphasizes the greater role of conventional than nuclear weapons in NATO.

Now this, to me, is a most surprising statement, a statement that cannot be made to fit the suggestions made by the Prime Minister both during and since the election campaign. He said, in effect, that it was a hypothetical question, but perhaps the position differs because his government emphasizes the importance of conventional defences for NATO. This certainly wiped away all the

policies regarding nuclear weapons. The statement has no basis in fact. I should like to know how that statement can be made to coincide with the undertaking, apparently entered into by this government, to supply our air force in Europe with bombs of an explosive power of one billion tons of t.n.t. These aircraft, 144 in number, are to be equipped, according to one who certainly in the past was not far removed from the ear of the Liberal party—I refer to the president of the exchequer court—with bombs of an explosive power which indicate that no longer are these weapons defensive, but they are aggressive in effect.

I should like to hear some of these proponents, these pundits, give their explanation for the somersault turned by the Prime Minister today in this regard. I could not understand it. What has happened? What has come over the Prime Minister for him to make a statement, in effect, that if a decision is taken, and I underline "if", it need not involve any additional expenditures. My question referred to the new system for which Mr. Merchant is here as the vendor. He said that the new system need not involve any additional expenditures at all because, in effect, it might result in a diversion of expenditures from one form of defence to another.

This is a strange doctrine, a strange and unusual answer. On the one hand, according to Mr. Justice Thorson, they are going to equip the aircraft in Europe with bombs of an explosive power of one billion tons of t.n.t., and on the other hand the Prime Minister says that we may be changing over; that we believe in a greater extension of conventional arms. I want to hear his explanation in this connection when he replies at the end of this debate.

Now, the questions and answers today indicate to me more clearly than ever the need for the fullest discussion in respect of this committee, so that the membership of this house will be able to place before parliament and the country their views on this most important, most significant question. Do not let anyone say we should not debate the subject because we must get on. The zero hour for the 60 days approaches. There is no question of obstruction, but there is the necessity for the fullest discussion, and that necessity is increased by the answer given which is, within the realm of parliamentary language, a sinuous disregard of the facts.

Ever since parliament opened, I have been waiting to hear about the commitment made by the government which I had the honour to head. They have snooped; they searched; they have sought and they have found nothing. In that connection, let me say that I am sure the Prime Minister is greatly impressed by anything the Toronto *Star* may say. After all, it has been a most consistent supporter of his views. It certainly cannot be regarded as being in favour of the Conservative party. What did the Toronto *Star* say the other day about commitments? There is an editorial of May 28 headed, "What Commitment?" I quote:

> The Pearson government misleads the public—

Some hon. Members: Hear, hear.

Mr. Diefenbaker:

> —when it claims it is accepting nuclear warheads only because of a "commitment" made by the former Diefenbaker administration.

I read on:

> The Liberals fostered this myth during the election campaign—

Then a little later on it says, referring to the Secretary of State for External Affairs:

> Yet External Affairs Minister Paul Martin still implies it is the Conservatives, not the Liberals, who are responsible for Canada becoming a nuclear power.

Then a little later on the quotation is given:

> Mr. Martin's bland explanation is unconvincing.

Mr. Speaker, I think that is a miracle of understatement.

> If Canada is now committed to accept nuclear arms, it is because of a commitment made by Prime Minister Pearson, no one else.

Then it goes on to say:

> Since taking office on April 22nd the Liberals have been challenged repeatedly to produce evidence that the former Conservative administration committed Canada to accept nuclear warheads. They have been able to produce none.

Then it goes on to ask if there were commitments, was there any necessity for the ensuing government to follow them?

It answers that question very well by going on to say:

> There is nothing dishonourable or even unusual in discarding "commitments" made by a previous government. The Pearson government is, in fact, already doing so in the case of the Columbia river power treaty.

Mr. Speaker, we entered into a treaty, a treaty signed sealed and delivered.

Mr. Pearson: Oh no.

Mr. Ryan: Delivered to whom?

Mr. Diefenbaker: Who interrupted?

Mr. Ryan: I did.

Mr. Diefenbaker: Now they are trying to change it, alter it—

Mr. Ryan: Mr. Speaker—

Mr. Diefenbaker: —vary it by some type of subterfuge.

Mr. Ryan: Mr. Speaker, I would like to ask the Leader of the Opposition if he would permit a question. The question is: how does he regard the Columbia river treaty as being delivered when it has a condition in it that it must be ratified by parliament in Ottawa?

Mr. Diefenbaker: Mr. Speaker, so far as the United States and Canada are concerned it is signed, sealed and delivered, and all treaties require to be accepted by parliament or confirmed by parliament in the constitutional manner. Now they are trying to get around certain of the provisions in such a way as will render unnecessary the submission of that treaty to the United States congress again.

Then the report goes on to say this:

Though it was never ratified—

The hon. gentleman has his answer in the next paragraph. Apparently he has not read this issue of the *Star*.

Though it was never ratified by parliament, the treaty was signed by the Diefenbaker government. Yet Mr. Pearson has had no hesitation in pressing the United States to renegotiate for terms more acceptable to Canada. Was this dishonourable?

Then it goes on to say:

—let it be clearly recognized that Canada has not now—and has never had—any treaty obligation under NATO to accept nuclear arms. In fact, under the NATO treaty signed in April, 1949, we are not even committed to supply any specific number of troops or equipment for the alliance.

Then it goes on to say this regarding commitments:

Was the United States dishonourable when, for practical military and economic reasons it cancelled its "commitment" to supply Britain with the Skybolt air-to-ground missile?

Finally it concludes:

In short, Canada has no commitment to accept nuclear arms. And even if we had, there should be no hesitation in spurning it if we consider it in the national interest to do so.

If the Pearson government is convinced we should get nuclear arms, let it justify the weapons on their merits if any. But let it stop trying to tell the Canadian people it's all the fault of the Diefenbaker administration.

Mr. Speaker, I could not place before the house the unprejudiced opinion of any newspaper more powerful and more effective than that which I have now placed before the house.

Mr. Matheson: Mr. Speaker, May I ask the hon. Leader of the Opposition a question, whether he was correctly reported in *Hansard*—

Mr. Diefenbaker: This newspaper—

Mr. Deputy Speaker: Order.

Mr. Diefenbaker: What does the hon. member have to say?

Mr. Matheson: May I ask the right hon. gentleman if he was correctly reported in *Hansard* of January 25, 1963 when he was quoted as saying:

—we undertook to equip our squadrons assigned to NATO for a strike reconnaissance role, which role would include the mission of delivering nuclear weapons. No one was under any misunderstanding in that connection. Parliament approved this program and appropriated the funds.

Mr. Pearson: There it is.

Mr. Diefenbaker: The hon. gentleman has read and reread that.

Mr. Pearson: You bet.

Mr. Diefenbaker: We were placed in a position where, under this strike force, when and if agreements were entered into with the United States, in keeping with our responsibilities and our sovereignty, there would be available in the event of war the necessary nuclear weapons. That has been our attitude throughout, unchanged and unchangeable. In other words I said over and over again that we would wait until the meeting of the NATO conference in Ottawa, and on the basis of the discussions that had taken place then and the consideration given by the various nations, we would not place Canadians in a lesser position in the NATO alliance than those with whom they serve.

The Liberals said this NATO conference would have nothing to do with that question. The Prime Minister spread that myth across the country. And what did the conference discuss? Our Minister of National Defence was there as one of the larger delegates. They must have received some unusually clarifying information from him in the making of the decisions they have arrived at, and that he has not vouchsafed to parliament.

When I read his speech on the subject I wondered whom he was trying to fool—shuffling, uncertain, full of verbiage.

An hon. Member: Indecision.

Mr. Diefenbaker: Oh yes, indecision, but not one suggestion as to what the policy of the Liberal government is. We have had to get the clarification from the Prime Minister today, that now they are going in the direction of non-nuclear armaments. I shall come back to this, because I have a number of questions to propound.

The committee was promised by the Prime Minister in these 60 days of decision. He said they were going to take the whole problem of defence and bring it before the committee. On March 26, speaking at Kingston, he said that a Liberal government would set up an all party House of Commons defence committee to take the defence issue away from partisan politics. The committee's work would

be part of a Liberal government's review of Canadian defence policy to determine an appropriate role for this country, but such changes would also take considerable time. There is no doubt about that; no decision is going to be made for a considerable time. Now, before the committee is set up, and the government having made that solemn undertaking, it has committed Canada to a strategic force in NATO equipped with bombs of an explosive power to which I have already referred.

The major matter for decision is determined by the government without any consideration by parliament, without any discussion before parliament and, above all, in a manner that denies the carrying into effect of the promise made by the Prime Minister that this committee would make a determination on the question of policy. This is nothing unusual; I have noted it in the question period. I have noted in other particulars a number of examples since the new government took office of its inheritance of that spirit of insolence and arrogance which characterized the former Liberal government of Canada.

What are they going to place before the committee? An accomplished fact, in so far as the agreement made in NATO is concerned. What recommendations are they going to receive from the committee? They are simply going to advise the committee that they entered into certain arrangements and undertakings at the NATO meeting and they will be carried out. Sir, I want to make very clear that we in Her Majesty's loyal opposition do not intend to be hamstrung from asking questions in parliament, demanding information and discussing defence while this committee is sitting. We are not going to have this committee used as a makeshift. The Prime Minister said in his speech at Kingston that it will take a long time to do this, and during that period of time we intend that in no way shall we be denied the opportunity of placing our views fully before the house and asking such questions as we deem proper, regardless of whether or not the committee is sitting.

I mentioned the Minister of National Defence a moment ago. He says he has a great deal of information on a number of things. Speaking in the house in January or early February he stated that he was not going to be tied down by classified information. Why, he had been to Europe. He was over there; he saw General Norstad. They sat down together; they talked, and he learned. When he came back he said, "I am not going to be stifled. I am going to tell you what I know". Well, he did not tell us much then, and he certainly did not tell us very much the other day, regarding the defence policies of the Liberal party, this carefully developed program to which the Prime Minister referred in his Kingston speech. He said:

> The Liberal party is not approaching the problems of government blindly. We have a carefully developed program of definite, concrete policies.

Then a little later in that speech he said:

> I further pledge that as soon as parliament meets we will act to bring the muddle and confusion on defence to an end. We will fulfil Canada's defence commitments to our allies. Then, so that the critical issue of defence may be removed from partisan politics, I repeat as a pledge that we will establish an all-party defence committee of the House of Commons.

The NATO conference met. What was decided, other than that Canada undertook commitments which she had never had before?

Mr. Pearson: Rubbish.

Mr. Diefenbaker: They rushed in there. They undertook to do these things. Mr. Justice Thorson had something to say about this, and they must believe him because he has always been regarded as one not unacceptable to the Liberal party. He said this, referring to the Prime Minister's Toronto speech:

> Mr. Pearson's Toronto statement was a complete reversal of his previously expressed opinion and of former declared Liberal policy.

Then he went on to say this:

> For example, on January 13, 1961 he said to a Liberal rally at Ottawa:
> "We must speak and act firmly when our rights are threatened by American action".

Who was anti-American then? Mr. Justice Thorson went on to say in his speech that the Prime Minister said:

> "We must not be the echo or satellite of any other state".

Who was anti-American then? He went on to quote the Prime Minister as saying:

> "Specifically we should not acquire or use nuclear weapons under any kind of national or joint control".

Then Mr. Justice Thorson said:

> Even as late as November 14, 1962 he—

That is, the Prime Minister:

> —stated that he had "always maintained that Canadians should not accept nuclear weapons under either national control or jointly with the United States".

Mr. Justice Thorson continued:

> This was declared Liberal policy until Mr. Pearson changed it on January 12, 1963. Small wonder, therefore, that the Canadian campaign for nuclear disarmament was disappointed with his new stand and shocked by it—

Then he goes on to deal in general with the whole problem and he says:

> According to a recent press report, it has been proposed that in the course of performing their strike reconnaissance function the Starfighters should carry a one megaton hydrogen bomb. When I read of this proposal I felt impelled by a sense of duty not to "keep silence" but to speak in protest against it. That is why I appear before you this evening. The proposal is a monstrous one. It ought to be repudiated immediately.

Then he goes on and uses this language. He is not a Conservative or a former Conservative, but is one of those who sat with hon. gentlemen opposite:

> And the proposal, if the press report is correct, that Canada's Starfighters should become "first-strike" bombers carrying a one megaton hydrogen bomb is an iniquitous one.
>
> The implications of such a proposal are staggering.

Then he summed up this question. He had long years of experience in the House of Commons and in government. He went on to say this, and this is my answer to the government when they say they were carrying out commitments of ours:

> A one megaton bomb is not a weapon of defence. It could be an instrument of mass murder.

Then he said:

> There is room for argument that a distinction may be drawn between equipping our Bomarc missiles and our Voodoo interceptors in Canada and our Honest John rockets in NATO with nuclear weapons on the one hand, and providing hydrogen bombs for our Starfighters for their strike reconnaissance role on the other, on the ground that the former are defensive tactical weapons and the latter are clearly not.

What brought this about? We were not to be a satellite and we were to stand up for ourselves. Then, even before the NATO meeting, the Canadian government had capitulated to the extent that these tactical forces in Europe were being equipped with offensive weapons. Why did not the government wait until the committee was set up? This is the most important decision that has been made in these 60 days of decision; and yet no opportunity is given, as was undertaken, for a discussion in and a recommendation from this committee.

The hon. member for Kootenay West (Mr. Herridge) mentioned a moment ago some of the matters that could have been dealt with at the NATO meeting, and were not. I listened to the Prime Minister speaking from the podium here. How many of the ideas that he placed before NATO were accepted? I know of none. Was there any advance made to have article 2 of the NATO treaty implemented? Was there any stand taken on the part of the Canadian government in the field of defence with regard to the standardization and co-operative construction of weapons—production sharing as part of defence? Was anything done in that connection? Apparently all that was done at that NATO meeting was the making by Canada of a voluntary offer to provide tremendous bomb explosive power for her Starfighters in Europe. I know of no other stand which was taken, except the allocation of a nebulous force to which some reference can be made in a moment. What about this important question of sharing and production? No one ever did more in this regard than the Hon. Raymond O'Hurley as minister of defence production. He said to the United States—and he made it very clear—that we would join together in defence, which meant that each of us must make a contribution and must have an opportunity, industrially, to do so. What was the result? Well, in 1961, United States orders in Canada totalled $142 millions. Canadian orders in the United States amounted to $94 millions. We reversed the old order. In 1962 we received orders from the United States amounting to $254.3 millions and the United States received orders from Canada totalling $127.4 millions.

There has been a new policy declared by the United States since the present government came to office. Under this new policy, Mr. McNamara has issued a directive calling for the elimination of all purchasing abroad. Canada is not excluded from the terms of that directive. What is being done by the present government in this connection? At the present moment, the Minister of Defence Production (Mr. Drury) is in Washington. Is he going to insist, as we insisted, and with success, that Canadian industry should receive its fair proportion of the joint production program of our two countries, or is the recent declaration by Washington one that will kill the sharing program and deal a severe blow to Canadian industry? We have no information in this regard. Strangely enough, at the NATO meeting this was one of the subjects which normally would have been discussed but which, apparently, was not discussed. I do not intend to go into the subject of the NATO meeting, except to say, as the hon. member for Kootenay West (Mr. Herridge) said a few moments ago, that the communique—and this has been reported over and over again—was born and produced before the meeting even began. There is proof of this available. A strange meeting. They bring the representatives of 15 countries together, and they know in advance what they are going to decide. No wonder you can get unity in those circumstances. What about the defence studies? Did the communique mean much? I do not know who these Canadian officials are who give

press reports, but Mr. Dave McIntosh is certainly one who writes with authority and information, and he says:

> The Canadian government gives every indication that it would rather never have heard of the proposed NATO seaborne strategic nuclear force. The reason is obvious: Prime Minister Pearson has often said Canada could not get mixed up in the strategic weapons business.

I should like to know what kind of a weapon that million ton explosive bomb could be described as being.

The article says that the conference communique which came out of that meeting was disappointing to Canadian officials and goes on to give the reasons why there was really nothing accomplished. The countries which attended did, however, bring about a force, un-named and, as yet, unsung—a force to bring together various contingents, the United States to supply the Polaris weapons, the British to supply their bombers and so on. The French accept this because they feel it does not mean very much. They had no objection to a nuclear force being established and will provide two air wings as long as the force is not supranational. I should like to know why Canada has rushed in with these undertakings before the setting up of this committee to consider so important a matter. I should like the Prime Minister to explain what advance has been made in negotiations with the United States for an agreement regarding nuclear weapons for the NATO force. Is it not a fact that four of those eight squadrons are stationed in France and four in Germany, and that France will not allow the storage of nuclear weapons in France. This was brought to the attention of the country by Mr. Clement Brown in an article which appeared toward the end of May. What is being done in this regard? Are we to have four squadrons in France with the necessary nuclear deterrent stored in Germany or in Belgium? How does the government intend to go about this? Is the right hon. gentleman entering into an agreement? The minister of defence (Mr. Hellyer) has not heard about this, apparently. He laughs. Every time I hear or see him in the house I am reminded of "The Deserted Village", the lines—

> And still they gaz'd, and still the wonder grew,
> That one small head could carry all he knew.

Every time the hon. gentleman speaks I think of Goldsmith. I ask him this: why did he not give us this information? Since France has not accepted nuclear warheads even under the double key system, is Canada to be prevented by France from storing American nuclear weapons on French soil? Has there been any discussion in this regard? The matter is complex and difficult. It is one which is most trying. It cannot be solved by smiles and sneers. It can only be solved by the kind of negotiation which has not been evident as yet on the part of this government. The New York *Times*—

Mr. Pearson: I wonder if before five o'clock the hon. gentleman would permit a question. May I ask him why he and his government stationed these four squadrons in France and maintained them in France, knowing about this difficulty?

Mr. Diefenbaker: Again, the right hon. gentleman is playing with words. We said we would make warheads available in the event of danger or war—that we would have the necessary agreement, providing agreement could be arrived at. And when we said, in so far as the Bomarc was concerned, that we would have them available in the United States under an agreement which would assure our sovereignty, the opposition at that time told us: you cannot have the weapons here and the storage elsewhere. Yet they will be obliged to have the storage for the four squadrons in France either in West Germany or else in Belgium.

Mr. Speaker: Order. It being five o'clock the house will now proceed to private members' business, pursuant to section 3 of standing order 15.

BANKRUPTCY ACT

AMENDMENT RESPECTING PAYMENT TO PRODUCERS OF PRIMARY PRODUCTS

Mr. E. F. Whelan (Essex South) moved the second reading of Bill No. C-5, to amend the Bankruptcy Act (primary products under processing).

He said: Mr. Speaker, I am bringing Bill No. C-5 into this house only on account of the hardships which are created or enforced on people in Canada who are producers of primary products owing to the present legislation, which I think is too unfair, one-sided and undemocratic. This bill is self-explanatory, as I am sure you will agree with me when you read the bill and explanatory notes. I feel, as do many people, that it is high time we quit treating banks as tender little babies, and this is what I mean by one-sided legislation. We all know that little babies have to be coddled and pampered to make sure they survive, and that this is necessary because they are helpless. I might say here that I know this is so because we have one of our own four weeks old.

To say that our banks are helpless is far from the truth. They are protected by section 88 of the Bank Act, and I should like to read the explanatory notes at this point, if I have your permission, Mr. Speaker.

This bill proposes to prevent the financial distress suffered by unpaid primary producers when the processor in possession of their products goes bankrupt. In many cases the processor has obtained a loan by pawning these products to a bank under a blanket or floating lien: in effect, the processor gambles with the credit of the producer as risk capital—the bank clothed in the blanket protection of the producer's assets secured by section 88 of the Bank Act, the processor diapered with the limited liability of the Bankruptcy Act, while the primary producer goes bare of assets and stripped of credit.

This bill would remedy the grievance by removing primary product assets from the assets in bankruptcy and by providing that such assets, whether improved or unimproved, be sold by the court designated under the Bankruptcy Act. The rights of labour are protected by reserving to the employees a three month lien for wages; thereafter the balance is distributed fairly among the producers and, as to any balance, to the trustee in bankruptcy for distribution to the creditors subject to any lien held by a bank or by the industrial development bank. In this way the producer is protected as to his product and credit, the employee for his hire, the processor (and his creditors) for his managerial contribution, and the bank for its credit advances.

I would ask all hon. members to consider these plain facts as are outlined here. We have had too many of these inefficient operators go bankrupt, and by doing so they have jeopardized the livelihood of a good many families of primary producers in our country, whether they be primary producers of products from the land, forest, sea, quarry or mine. When these producers lose their assets they may have been trying to educate their children, make payments on a mortgage, and meet other commitments necessary to their way of life; but under the present legislation all this is lost. Most of the time the banks come out ahead of the game; we well recognize the fact that they are much better off than the primary producer.

I should like to refer to one such case of bankruptcy in our area, with which I am familiar. This occurred last year and concerned a processor of fruits and vegetables who went bankrupt. Before our marketing organization authorized this person to hold a licence they wrote to his bank to find out whether he was worthy and financially responsible to operate a company of this type. The bank wrote back and intimated that he was O.K financially, fully knowing that his borrowings at that time were 100 per cent of his assets. It almost appears as though the bank hoped to allow him to get back into business long enough to contract for the crops, process them, and then hope to walk in, as they did in fact, and put him into receivership when the crops were processed and in the can. Mr. Speaker, if you were a primary producer of products would you not think that this was a sort of planned conspiracy?

These producers of primary products grow their crops, which in turn they harvest and then deliver, fully hoping they will be paid for the crops they have produced. Many of them have thousands of dollars invested in such things as fuel, fertilizer, plants, spraying equipment, and wages for harvesting which can amount to well over 50 per cent, in many cases, of the gross return on a crop. I know of one of these young farmers in my area who last year went into debt on account of this. He had a 100-acre fruit farm and it was free and clear of all encumbrances. Last year he suffered frost damage in his orchards and again this year. He harvested only half his crop, but he incurred practically the same expenses as he would had he harvested his complete crop. By this I mean that he had all his spraying and cultivation expenses, and everything else which goes along with harvesting a fruit crop, except the cost of picking the crop. His total cost, which he borrowed from the bank for his operation, was $19,000. What he was supposedly to have received or should have received from the processor amounted to approximately $20,000. He got nothing at all for his crop, but he had to pay the bank. The bank makes sure that they get paid, do not forget that. He now has a $20,000 mortgage on his farm. I should say at this point that he could not obtain this money from the federal government because they did not see fit to lend this type of money in that area. He is paying a higher rate of interest than on an ordinary loan from the Canadian Farm Credit Corporation. He should never have had to incur this debt on account of someone else's inefficiency. This is plainly obvious to anybody. I checked this with all kinds of small processors. I never bothered the big ones because they do not operate under this section. The small processors told me that they are 100 per cent in favour of this act being amended.

I should also like to point out why these inefficient processors who go broke create problems for the efficient processor, whether he be small or large. When these inefficient processors go broke the food brokers are generally waiting to get this produce as cheaply as possible so as to depress the price of the other canned processed goods which are similarly sold by the efficient processors, and thus disrupt, if they can, the whole market. The worst thing about it is that the consumers very rarely get any benefit from this. It is a real racket.

I ask all hon. members: Do they think they should be able to borrow money on my house, my car, my farm or any of my assets without my having anything to say about it? This is actually what is happening. The primary producer of these products, whether they be from the land, sea, mine or forest, has little if anything to say about it. I would

have no objection if the primary producer had anything to say about the processor borrowing money on the producer's assets, but at the present time he has nothing whatsoever to say about it.

I would ask hon. members to keep this point in mind. How many of us can borrow 10 per cent of our assets as this processor I mentioned earlier borrowed from a bank? A farmer has a fat chance of borrowing any more than about 10 per cent of his assets.

One of the reasons that the primary producer cannot claim these assets after the processor gets them is that he loses identification with his product. Tomatoes go into a can and it is pretty hard to say whose tomatoes they are. Peaches, pears and other vegetables go into cans and it is pretty hard to say "that is my product". A stonecutter cuts raw stone which may go into building stones or tombstones and it is pretty hard to say which is his stone if the processor goes bankrupt. The same is true of coal or pulpwood. In the case of pulpwood it is hard for the producer to identify his pulpwood when it is transformed into newsprint. The primary producer is faced with a most difficult stumbling block in trying to prove identification of his product. I ask all hon. members for their co-operation in giving this bill second reading.

(Translation):

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I am pleased on behalf of the Social Credit party, to say that we support the principle of Bill C-5, an act to amend the Bankruptcy Act.

Being myself a manufacturer, I understand very well what this bill is aiming at. We cannot but support the measure and see to it that it is adopted. Moreover, we are happy to note that it is presented by a member of the party in power.

Mr. Speaker, this bill proposes to protect the suppliers of primary goods by forcing a company to take the necessary measures to protect the advances made.

At the present time, section 88 of the Bank Act allows them to accept as a first mortgage the goods supplied on credit by the manufacturers who, on the other hand, are not subject to any restriction with regard to the goods they themselves supply on credit to other manufacturers.

We also know that the chartered banks are fully protected in regard to their loans to those firms, taking as collateral goods which are still unpaid and which were supplied by the producer of primary goods.

I believe it would be fitting to pass Bill C-5 as it stands now in order to protect the claims of small suppliers, just as the banks are protected under section 88 of the Bank Act. In fact, I believe that is what the hon. member for Essex South (Mr. Whelan) had in mind when he moved this bill, that is the protection of the suppliers who, at present, stand to lose money in case of bankruptcy by the manufacturers who are not subject to any credit restriction.

(Text):

Mr. J. J. Greene (Renfrew South): Mr. Speaker, it gives me great pleasure to support the hon. member for Essex South (Mr. Whelan) in his presentation of this bill. There are those who would perpetrate the myth that the party to which I belong is in some way the party of big interests in the same manner as other political parties are known to be. I think the presentation of this type of bill clearly indicates that in the political house to which I belong there are rooms for all kinds of people. I think that is the great strength of this party.

It is possibly a fact that at times the interests that are paramount in our nation are those that are connected with large areas of human endeavour such as banking and finance and big corporations. There may be times when the interests of the nation are integrally tied up with the interests of these large bodies, and if that be the case then at those times this party supports those large interests. But there are also times that bills such as this one are needed because the interests of a smaller segment of the economy, that does not have the protection of big capital or great wealth, need to be protected.

Mr. Scott: Mr. Speaker, on a point of order, I wonder whether the hon. member for York Centre could contain his enthusiasm. We would very much like to hear the words of the speaker.

Mr. Walker: Is that a question, Mr. Speaker?

Mr. Deputy Speaker: I must say I did not hear the interjection made by the hon. member.

Mr. Scott: I was merely pointing out that the conversation of the hon. member for York Centre is coming through the microphone and prohibiting us from hearing the words of the speaker and I was wondering whether he could contain himself for a few minutes.

Mr. Deputy Speaker: Actually I noticed that some hon. members were carrying on a private conversation which was coming

through the same microphone thus making it very difficult for the Chair to follow the hon. member who has the floor.

Mr. Greene: I thank the hon. member opposite for his interjection on my behalf. The pearls of wisdom that I offer here should be heard clearly by all.

I would point out that here is a case where the producer of the primary products referred to in the bill is not well protected in our economy as it is constituted. There is a basic premise when one is buying a house or a car: Let the buyer beware. If you go to buy a car you should take a good look at the engine and make sure it will run. If you get it home and it does not run too well, most times it does not do too much good to run to your lawyer with your troubles because he is going to tell you that you should check before you buy. Let the buyer beware.

In our economy as a whole I think this is a fairly sound precept and it is to some degree fundamental in a free enterprise economy that people do in large measure look after their own interests, protect themselves and do what is best individually for their own private businesses and private interests. However, in this twentieth century, in this age of big government, big interests, big business, I think we often come to the pass where the game is not an even or fair game.

The big interests in looking after their own well-being, economic and otherwise, as is their right in a free enterprise system, have the very best of information, advice and professional help available to them. The result is that gradually over the course of the years they have, through this kind of help and through this kind of good business practice, got the game weighted too much in their own favour so that it is no longer a fair or even game and so that the person who is not organized on a broad, powerful and corporate economic basis cannot compete fairly and evenly in the game. No matter how he bewares before he buys, he is going to get caught because the rules of the power game are stacked against him. I think the type of situation that we have here is one which is prevalent in bankruptcy proceedings.

I suggest, Mr. Speaker, that the bankruptcy laws as they are now constituted are little more than a vehicle created by the federal government to enable fraud. How many examples have we seen of absolute fraud sheltering under the benign aegis of the federal bankruptcy laws? I understand that during the last parliament, before my advent here, there was a proposal by the then minister of justice—I think it would be in order for me to say here, even though I sit on this side of the house, he was a most outstanding minister of justice—to amend the bankruptcy laws to counteract some of the inequities contained in them. Unfortunately, his bill was never brought before the house. Certainly it was never made law. It appears that there were matters that occurred in this house which interfered somewhat with such humble legislation as bankruptcy laws, and the then minister of justice departed for greener fields before he could bring this bill to fruition.

It is my hope that the bill proposed by the hon. member for Essex South (Mr. Whelan) will alleviate some of the hardships imposed on the primary producers whom he has defined so adequately in the definition section of the bill. It is my hope that the bill will provide some protection to those people who supply primary materials or labour for a project, when bankruptcy ultimately occurs. We are not doing anything very radical. I do not believe we are doing anything very socialistic—if the word "socialistic" is a bad word and I do not know that it is. All we are doing is creating a preference similar to the type of preference that has already been given to banks under section 88. I think it might be compared to the type of preference that is given to the supplier of materials or labour under the provincial mechanics lien legislation.

I think we know that under the provincial mechanics lien legislation, if the supplier of labour or materials carries out the provisions of that legislation, he has a priority over other persons to the extent of the labour or materials supplied. Surely, all we are doing here is carrying that sound, fundamental precept that the person who supplies the original goods or labour should be the fellow at the top of the heap instead of putting the fellow who supplies the financing always at the top of the heap. If the provincial legislature has seen fit to give that type of priority to this fundamental supplier of materials or labour, then surely in so far as the bankruptcy aspect is concerned, which is the federal aspect of this same type of problem, we should see fit to give that same type of priority or preference to the supplier of labour or primary products as opposed to the supplier of finance, who is now the fellow who holds the sacrosanct spot at the top of the financial totem pole.

I think that this bill attempts to do so, and it does so very well. It is a well conceived and well thought out measure. I feel it solves that fundamental problem. I do not see that any basic wrong will be done. It is always a problem when we are trying to right one wrong in some segment of the

economy to make sure that we do not create another wrong in some other segment of the economy.

Let us assume that we are dealing with the perfect economic man that the economics professors so dearly love. Let us assume he is entering into some contract—and I shall use the same illustration as my hon. friend used—to provide tombstones. He is a small supplier of tombstones. At the present time, how does he protect himself to make sure he does not supply these tombstones to a person or a corporation whose financial status is shaky, and to make sure that in the event of bankruptcy he will have some protection? Furthermore, how does he make sure he is not doing business with a financially shaky person or institution? Well, to the best of my knowledge, it is very difficult, if not impossible, for the supplier of tombstones to ascertain if anyone has a section 88 lien with the particular person with whom he is doing business.

It may be that if he hires a costly and expert lawyer—I find all lawyers are costly whether or not they are expert—he may be able to find out whether or not there is a section 88 loan. However, fundamentally, a section 88 loan is a private financial arrangement between the banker and his client. It is not the subject matter of public notice. He might be able to find out if somebody has a chattel mortgage, and the holder of that mortgage would have a prior right to the tombstone supplier in the event of bankruptcy. He would have to search the appropriate registry office to ascertain this. If he goes to all this expense of hiring the necessary accountants and lawyers, then he had better go down to the provincial capital and find out if there is any prior registration under the corporation securities registration which would put the corporation securities on the financial totem pole ahead of the supplier of tombstones. I suggest right here that if he is going to do all this, spend all this money each time he sells a tombstone, then he is going to have to get a very big price for this tombstone in order to pay the lawyers and accountants. Then, by the time he gets all this research done the poor fellow who is looking for the tombstone may be dead, and buried too.

I suggest, therefore, that today, no matter how vigilant, or how good a businessman the primary supplier may be, there is no way in which he can carry on his business in a practical fashion and find out whether or not the person with whom he is doing business is a good risk. If my hon. friend's bill is made law, I suggest this process is going to be made easier. These institutions, these banks and finance companies will have to protect themselves. These huge financial entities have resources which enable them to protect themselves in a way that the small, individual producer is not able to do today. I have no vendetta against the banks or finance companies. There are times, such as when it comes time to pay election bills, when I am very glad to have them as friends to make me a loan to carry me over the next four years. I do not want to get the bankers mad at me, because they are apt to bring down that axe that is hanging so precariously over the back of my neck right now.

I believe that in this particular case there will be no great wrong done to these financial institutions that are an essential part of our economic structure. I think that they will be able to protect themselves in making loans and in doing business. Maybe it will make them a little sharper, a little more careful. Maybe they will look into matters more carefully than they do now, because now they can get a section 88 lien and whether things go badly or not, they are all right. This may make them even more efficient in doing their business, now that the banks and financial institutions realize we are always behind Mr. Primary Producer, and that we are always behind the supplier of labour and materials. Therefore in financing these projects they had better be certain (a) that the man running the show is sound financially, that he is able to carry out his business and, (b) see to it that he stays in business, or otherwise they may be at the bottom of the heap, and the primary producers who supply the goods are the only ones who may get their money.

In doing so I think the banks may be able to play a bigger part in helping these individual financial ventures to prosper and go ahead. There was a day when our bankers used to be a sort of partner to small business. The banker used to help the small businessman in planning his future, planning his growth, and the day to day administration of his business; but today with these great areas of protection for the banks, such as section 88, the banker no longer has to be a partner, because he is like a sheriff with his hands on the businessman's throat. If things go badly, he is not in the old time position of being a partner and friend of the small businessman.

Through this bill my hon. friend is trying to play a great part in enabling the banker to get back on an even basis with the primary producer. In so doing we may not only be doing a favour in this question of bankruptcy as it affects the small business community but we may be helping in some way to re-establish that partnership—I think we could

call it that walking together on an even footing—of the small businessman and the banker, which is essential to our small business community, rather than have all the power and all the rules geared in favour of the banks.

Therefore it gives me great pleasure to support this bill introduced by my hon. friend from Essex South and I commend him for presenting it to the house. It is a very salutary type of legislation which will help our small businessmen to prosper.

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I would like to congratulate the hon. member for Essex South (Mr. Whelan) for introducing a bill that will give some protection to the primary producers against the provisions that are contained in section 88 of the Bank Act. However, I think there is another illustration that should be brought to the attention of the house, and which has not been pointed out thus far in the debate.

I was rather intrigued by the illustration that was so well explained by the hon. member for Essex South and then expanded on by the hon. member for Renfrew South (Mr. Greene), regarding the manufacture of tombstones. There is another possible involvement, if I may put it that way, that the primary producer occasionally gets into, and that is in the matter of supplying primary products for the manufacture and the processing of goods whereby he enters into an agreement under which he does not expect to receive payment until the finished product is sold. This of course lengthens out the time before he receives payment.

This makes the provisions of this bill even more important to the primary producer because, on a straight business deal where he supplies primary products and expects to be paid on, for example, a 30 day basis whether the finished products are sold or not, then if the primary producer is not paid, within a very short space of time he can at least attempt to take some action. This is in contrast with those occasions where primary producers have supplied primary products going into the manufacture of goods. Several months have gone by, during which they did not expect any further interim payment; and by the time their suspicions were aroused and they got around to doing something about collecting, they found themselves in the position where legal action had been taken and the provisions of section 88 of the Bank Act made it impossible for them to gain.

I was interested in the remarks of the hon. member for Renfrew South because if I understood him correctly he placed no reservations on his acceptance of the provisions of the bill. Therefore if he were the spokesman for his party I would assume they are prepared to accept the bill, allow it to come to a vote and be passed. I certainly hope that is the intention of hon. members of the Liberal party, because on a good many occasions we have heard government supporters speak in glowing terms of some of the provisions of a private member's bill or resolution, but add that they had one or two reservations and on account of those reservations they said it would be best to take another look at the particular measure proposed.

If this bill in its entirety meets the viewpoint of the Liberal party then I suggest, instead of following the usual procedure of talking such bills out, they let it come to a vote so that its beneficial provisions can become effective.

Mr. Greene: On a point of privilege, Mr. Speaker, and in answer to my hon. friend, while it may be that I should be, I am not yet the official spokesman for our party.

Mr. Jack Roxburgh (Norfolk): Mr. Speaker, in rising to support this bill introduced by the hon. member for Essex South I do so in almost fear and trembling following shortly after the hon. member for Renfrew South. However as I am a primary producer myself I would like to deal with the bill from that viewpoint.

As we all know, the bill is not pointed towards the efficient canner or producer, and there is no one in the house who wants to take advantage of a small industry just starting, whether it be a canning industry or something else. If I remember correctly it has been said that if all the small industries across Canada each employed one person there would be practically no unemployment in the country. So, we are not against that principle; but we are against them if they are going to start their industries at the expense of the primary producers.

We all know what canners' contracts are. You contract to sell your crop to the canners or the processors and you receive your money in the fall. There is absolutely no money put down and there is no guarantee that moneys will be paid before the fall. So it means that a grower or a primary producer of no matter what, whether it be pulp, vegetables or fruit, has to carry the total cost of growing his crop and harvesting it.

I do not know how many hon. members are practical growers, whether in fruit or vegetables, but I do know that when the average grower starts out—I will take tomatoes just as an illustration—he has his plants to buy. Then they have to be planted. There is then the fertilizing situation, and anybody who knows anything about fertilizing knows

that if they are to grow a crop they have to put a lot of money into fertilizing, depending upon the size of the crop. Then there are spraying costs. I do not know whether hon. members realize it, but in the spraying of apples alone I have put on as high as 18 complete sprays in one season, and the average is 14. When I say complete, I mean complete; that is, on each side of the tree. With regard to tomatoes, a few years ago there was no such thing as spraying but today you spray four to eight times. I am trying to point out these costs to the house. Then there are the harvesting costs. With regard to all these costs there is no guarantee whatsoever that the individual will receive one penny if the processor goes broke.

The hon. member for Essex South (Mr. Whelan) cited a case or two. I would like to cite the case of a very elderly couple. They have not yet reached the age at which they draw the old age pension. This couple had a large family and it took every cent of their earnings to educate these young people and get them going. They had ten acres on which they tried to do all these things and make a living. They did a very fine job, because they were a very frugal couple. They had five acres of tomatoes in, and those five acres meant their livelihood that year. The canning factory went broke and they were left without a cent. Is that democracy? Are we living in a democratic country if we allow such things to happen?

All I want to say to the house is, let us support this bill. It may be that the odd flaw will have to be straightened out, but let us give the primary producer and the small grower an even chance.

Mr. Reid Scott (Danforth): Mr. Speaker, I would like to add my support to the bill and to congratulate the hon. member from Essex South (Mr. Whelan) for having brought this measure to our attention. When the discussion commenced I was not familiar with the background of the bill or the requirements for it, but the speeches that have been made this evening have certainly convinced me and, I am sure, all members of our group that this is a proposal worthy of support.

We feel there are some qualifications about the bill. The definition seems unusually wide, and we have some qualms about the actual wording of the legislation; but no doubt these can all be resolved at the committee stage. I understand that there is an informal agreement that this measure is to come to a vote. Speaking for our party and, I hope, for many other hon. members, we are delighted to see this approach being taken.

I think this bill is a very excellent illustration of the proposals that were placed before the house when the first private members' measures were brought before us for consideration. This is a proposal that is very meritorious and deserving of support. However, it does need to be examined a little more closely at the committee stage. Witnesses should be heard from, and perhaps a slightly more expanded bill brought back for consideration at a later time. Mr. Speaker, we are delighted to see private members' bills actually coming to a vote. This is something that I know all new members have wanted to see very much, because all the private members' measures on the order paper have good ideas in them and most of them will, I am sure, receive the support of the house and go to committee where they can be properly examined.

To me this is a very refreshing departure from the farcical treatment that private members' bills have received in this house in the past. On my own behalf and, I am sure, on behalf of all the members of our party, I want to congratulate you, sir, on taking this constructive stand. It is obvious that the fact this measure is coming to a vote is a bit of a surprise to everybody, because the house is almost empty. However, if this procedure continues to be followed and some of our more unusual and radical bills come up for a vote, I am quite sure that private members' hour could become one of the most exciting, stimulating and best attended periods of the House of Commons and could become a time when new, radical, different and fresh ideas could be considered and actually voted upon. As I have said, private members' hour could become one of the best periods of our discussions here.

So, Mr. Speaker, basically we endorse the bill. We congratulate the hon. member from Essex South for having brought this matter to our attention. We intend to support the bill. It is now ten minutes to six o'clock, and in order that there may be a vote upon this measure I am delighted to sit down.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, in taking part in this debate I have some very grave questions of principle to pose in connection with this bill. I feel that, while it is laudable from the point of view of protecting the interests of processors, there may be some barbs and hooks in this measure.

Mr. Roxburgh: It is not the processors. You had better know what you are talking about.

Mr. Lambert: I am sorry, the producers.

Mr. Roxburgh: That is right.

Mr. Lambert: That was a slip of the tongue. I have misgivings about this measure because it would not be limited to merely agricultural

products; it would apply to lumber products, gravel, stone, sea products and so on. First of all, Mr. Speaker, the purpose of the bill is to give the original producer the right of recovery from a bankrupt processor or person holding his goods, plus the costs of any improvements that may have been incurred in connection with the goods. However, there is already established in other areas legislation which grants priorities above those which now rank as even preferred claims. We have first of all—and this is something which must be considered—deductions for income tax that have been made from the pay of employees of a processor. This is a debt due to the crown, and it is clearly indicated in the Bankruptcy Act that this is a prior claim.

Second, and this also applies to the employees of such processors, there are the deductions that the processors have made from the pay of the employee and contributions which are due from the employer with respect to unemployment insurance. This also is a prior claim. Then in various provincial jurisdictions, for instance Alberta, we have what is called the exemptions act. This provides a protection to the individual; he is not thrown out on the street with only the clothes he is wearing. Not that this amounts to a debtor's paradise, but it allows every debtor a minimum. I am questioning whether such legislation as this will take precedence over these exemptions. I have not had an opportunity to consider all the points at which the purpose of this bill might run foul of other claims—for instance unpaid sales tax to the crown, and other prior claims established by statutes of this parliament as having precedence over ordinary claims.

Mr. Turner: In view of the difficulties which the hon. member has raised about the contents of the bill and in view of the fact that he seems to want more time to study these difficulties, what would he say to referring the bill to a committee in order that all these points might be considered?

Mr. Lambert: That is certainly a point, but I submit that in giving second reading to a bill we are accepting the principle which it embodies, and the principle of this bill is to give priority to the claims of the producers of these goods. On the other hand, if many other claims are to rate above them, the principle of the bill may, in effect, be wrong. However, it is not my intention to talk this out. No one has raised these points so far, yet they go to the root of the priority which the sponsor of this bill is trying to set up.

This measure attempts to give to a particular class of creditors a priority which, I submit, may not be possible because of other legislation which may override it. Take, for example, the Unemployment Insurance Act or the Income Tax Act. Here, it is said: "Notwithstanding the provisions of the Bankruptcy Act—" and so on, certain claims will have prior effect. Thus, right away, there is conflict. The bill uses the words "in any other statute". There is a conflict of principles right there. I wish to draw these points to the attention of the house.

From another point of view I am wondering what adverse effect these proposals may have on small operators, small businessmen who wish to obtain a line of credit. The bill tries to protect one class in the economy. What will be the effect on another class? I have in mind a banker, or any other person who is granting credit, for example a wholesale lumber broker who grants credit to a lumber yard. Such a person may say to certain of their clients in the future because of this bill: "We are not going to give you any credit". The same position would apply in the agriculture industry. This is one of the difficulties which I envisage if we create a preferred class among creditors. When money is lent to certain types of producers, labor is granted certain safeguards or protection is afforded by section 88 of the Bank Act designed to encourage the granting of credit in respect of certain risky types of development; those are types of exemptions to the general principle that all creditors should share and share alike when somebody, unfortunately, goes bankrupt.

These are the points which worry me as far as the principle of this bill is concerned and, personally, I should like to see more answers furnished even before we accept the principle.

Mr. Churchill: We are prepared to follow the suggestion made of allowing the bill to go through at this time, but we shall do so on division, making allowance for the reservation made by my hon. friend concerning the lack of sufficient study given to the principles of the bill.

Mr. Deputy Speaker: Shall the bill be read a second time?

Some hon. Members: On division.

Motion agreed to, bill read the second time and referred to the standing committee on banking and commerce.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

NATIONAL DEFENCE

APPOINTMENT OF SPECIAL COMMITTEE

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

That a special committee be appointed to consider matters relating to defence and to report from time to time its observations and opinions thereon; that the committee have power to send for persons, papers and records and to examine witnesses; that it be empowered to adjourn from place to place; that standing order 67 be suspended in relation to the committee; and that the committee consist of 24 members to be designated by the house at a later date.

Mr. Diefenbaker: Mr. Speaker, I do not intend to recapitulate the various matters I have brought before the house so far excepting in so far as the decision of the NATO council is concerned endorsing a NATO nuclear strike force. I would simply say in that connection that the consensus is that that pool will not in a military sense have the slightest effect on the defence of Europe, to use the expression of an outstanding newspaper correspondent.

Today we live in a period when many people are led to a false sense of security brought about, no doubt in large measure, by the inaction of the Kremlin in the last six months or so in respect of those areas which were difficult and tender spots internationally—Berlin, Laos, and elsewhere. However, it cannot be repeated too often that periods of inaction or paralysis, as it were, on the part of the U.S.S.R. are in no way indicative of a change of destination or a detour along their desired road of ultimate world domination. It is very apparent that changes are taking place in the U.S.S.R. in circles which would lead one to believe that difficulties are being experienced in the Kremlin, that there are cracks and crevices between the various strata of the Kremlin. The trial and death sentence of Oleg Pankovsky, one of Russia's war heroes, a man occupying a fairly high position in the hierarchy, would indicate that all is not unity or solidarity within the Kremlin.

It is also significant that during this interregnum, as it were, between crisis and crisis the U.S.S.R. has made no forward step toward the acceptance of control in the matter of testing. Indeed, I think Britain and the United States have gone a long way towards an accommodation but have been unsuccessful in securing agreement, and unless this first step toward disarmament is secured the future is fraught with greater fears than ever before. Only last Saturday it was stated that at this time the air is filled with radioactive poison to an extent that has not been so for a period of over a year. Unless some agreement is arrived at in connection with testing within the next four months, the general contemplation is that there will be a resumption of testing by the U.S.S.R. which, in turn, will result in a demanded resumption on the part of other nations. While I realize that summit conferences are not always effective, I do believe that at this time, during this period of the unfreezing of the cold war, something might well be achieved by the representatives of the "big three" as well as with other representatives of the various NATO countries, meeting with Khrushchev if possible, and also with representatives of countries under his domination. Unless something is done toward the achievement of this first step to world disarmament and the lessening of tensions, there may well be a hardening of the attitude of the U.S.S.R., since nothing effective has been done during a period of calm, and the fact that communist China continues to press the U.S.S.R. to more aggressive measures. That being so, all of us are in agreement that the strength of NATO must be maintained. The power to exercise retaliation in the event of any attack against the western world must be preserved.

In so far as what was done at the NATO conference is concerned, the setting up of an unnamed force with an unnamed objective is not an effective move in any sense of the word. Indeed, from an examination of the views of world leaders in public thinking, I found no one who expressed other than regret that more forward-looking action had not been taken by the NATO ministerial conference when it had the opportunity to do so.

With regard to matters which are under discussion today, and to which the Prime Minister made reference in answer to a question by myself, the setting up of a NATO sea-borne nuclear strategic force, Mr. Merchant is here. He has had talks today with the Prime Minister and various other ministers. A press report sets out in some detail what the plan is, which, of course, all of us know. The force would comprise 25 surface ships carrying a total of 200 long-range Polaris missiles. The ships would use mainly Atlantic ports in Europe and North America and possibly some on the great lakes.

What is the attitude of Canada to be to this? If I understood the Prime Minister correctly today, he indicated in his answer that no final decision would be made in this regard until the fullest of discussions had taken place in the defence committee. At the same time that the representative from Washington is here, Admiral Ricketts is in the United Kingdom, and certainly the general reaction to this force in the United Kingdom has not

been favourable. Viscount Montgomery, with that outspoken assurance that is always his, brushed it aside as completely unworthy of consideration. His description was that it was poppycock.

However, it is being considered over there as it is being considered here, and I think we are entitled to know something of the terms that are suggested by the United States. This was one of the propositions that were placed before the Prime Minister of the United Kingdom in Nassau. It brought about a change in Britain's defence technique. Britain gave up the Skybolt, something that she had built her hopes on, something that had been arranged by agreement between the United States and her, and substituted therefor was this multilateral nuclear force idea.

The first idea was that the Polaris missiles would be mounted on submarines and that these would be multicrewed submarines. That had its difficulties because if you had five or six nationalities represented in the crew of a submarine submerged for a period of 20 or 30 days you would have disagreements which would border on very serious difficulties, to say the least.

Then the question arose whether ships might be used. I think we are entitled to know something about this matter. I know that the Prime Minister made the statement recently that he was able to speak with greater authority on what should be done in foreign affairs when he was leader of the opposition than he was now as Prime Minister. When he was leader of the opposition he secured most of his information from the press; but now with the daily reports before him the assurance that he previously had had been considerably diminished.

However, throughout the western world there have been suggestions as to the terms of the plan. We in this house have had no information in that connection. The general consensus seems to be that the cost of this new force will be $400 million, that in so far as Britain is concerned she will make her contribution partly in warheads and in port facilities, and to a lesser degree in money. There has been a suggested division of control and financial responsibility. We in this house should know that. We should not have depend upon the usual well informed sources giving their opinions through the press. The consensus seems to be that the United States will put up 33 per cent of the cost, Britain 10 per cent and Canada 10 per cent.

When I suggested this afternoon that the cost to Canada would be some $40 to $50 million the Prime Minister said that whatever the cost might be it might not increase the amount of Canada's actual expenditure because there might be savings in other types of defence. The reason for this division of cost is in part to assure that the United States, Britain and Canada will have actual majority control through financial responsibility over this new body. It has been agreed that no nation will pay more than 40 per cent of the cost. It is hoped West Germany will contribute 33 per cent. This matter was discussed by the Prime Minister with the President of the United States during the visit to Hyannis Port and since then the Minister of National Defence (Mr. Hellyer) has indicated that he has sought further information over and above that which was vouchsafed to the Prime Minister on that occasion.

Then I should like to find out, and I think the house has a right to know, what changes are contemplated in the McMahon act. Since 1947 or 1948, indeed, since the end of the second world war, the United States has exercised a control over atomic energy which until recently had not been subject to any suggestion of change. However, the McMahon act as it now stands prevents the giving of nuclear warheads and information to any country except Britain. What is the intention of the United States in this regard? Is legislation going to be brought in to amend that act before this new nuclear mixmaster crew plan is set up? The information I have is that the treaty will be ready for the senate of the United States at the beginning of next year.

These are things that we would like to know. Canada has become involved first of all in providing this tremendous power to NATO through our air force Starfighters, actually an aggressive nuclear force far and beyond what is contemplated by the expression "defensive weapons", and in addition is now contemplating entering into this field of a nuclear mixmaster force. We want to know something about this in the House of Commons.

The matter of security does not enter into the picture at all because these matters are being discussed publicly, and I feel that the Prime Minister when he concludes the debate might well place before the house and the country something of the general plan that the United States has in mind and which, through Mr. Merchant, has been brought fully to the knowledge and cognizance of the Canadian government.

Reverting for a moment to what I said regarding the Starfighters, they will now be adopted into the multilateral force. That force will not increase the military power of NATO. It will simply assure that the United States will still keep its finger on the control with the 14 other NATO countries having their fingers on the safety catch. But there is

something more. It is expected as well that other NATO members will provide a greater share of the cost. In that connection I do not see why Canada should be required to pay more and to make a greater contribution to NATO and to the defence of freedom than it has. We in this country have not failed to do our part and no other country in NATO, with the possible exception of the United States, has contributed as much as Canada has in proportion to population. This has been so throughout the period of NATO. Why, now, should it be considered that Canada should contribute even a greater share in consequence of the acceptance of that plan? I am not going into the particulars tonight of Canada's contribution, but I think it is generally accepted that no country has contributed more than have we, in proportion, measured on the basis of population.

Then, I should like to know from the Prime Minister about NORAD, the North American defence. Has the United States sought permission, since the present government has come into office, to store air to air missiles in Canada on its leased bases? If so, are negotiations going on at this time to provide for such storage within our country? In that regard I will say immediately that I am not asking for particulars, for in doing so I might intrude upon the field of security. However, I do believe that the Canadian people have a right to know what changes, if any, have taken place since April 22 in this connection in relation to the United States. We never had any disagreement until the famed press release was issued by the department of state on January 30. Throughout the entire period of time our relations were always the relations of good neighbours. I suggest that we have the right to know whether or not these comings and goings back and forth between Ottawa and Washington that have been intensified in recent weeks represent any increased responsibilities or constitute the acceptance of additional responsibilities by Canada in connection with defence.

Then, as I said in the beginning of my remarks, this afternoon's statement made by the Prime Minister, in answer to a question of mine, to the effect that the present government was most interested in assuring that Canada's responsibilities in the conventional field should be increased, and the corollary would be that our nuclear contribution would thereby be diminished, was not a loose answer given on the spur of the moment. It represented something about which I believe we are entitled to information. What is the changing technique or relationship? What attitude is the Canadian government taking? What will its stand be with the other nations of NATO as those nations meet together from time to time within the next year or two to determine the defence possibilities and potentialities of NATO?

All of these things are matters that deserve attention and upon which parliament is entitled to information. I look forward to the meetings of the committee, which we intend to support. We intend to support this resolution. We hope that out of the committee will come extensive information. We hope that the committee will not be translated into a kind of search and snoop committee, the purpose of which will be to look into the past. We hope that it will have the attitude of looking into the future and, as Canadians in that committee, primarily as Canadians and not as party representatives, the members of that committee will endeavour to bring about the recommendations which, while not binding upon the government in any way, will constitute a consensus of viewpoints that should be truly representative of all parts of Canada.

However, in saying that I cannot understand why, following the undertaking and promise made at Kingston by the Prime Minister that the whole defence situation was going to be looked at, and his further declaration that we should endeavour to take defence out of politics, this government, without consulting parliament in any way, made the determination it did prior to the meeting of NATO, and confirmed in the NATO meeting, to arm our air force overseas with offensive weapons.

(Translation):

Mr. Guy Marcoux (Quebec-Montmorency): Mr. Speaker, it does seem, judging by the speeches which have been made, that this debate on the creation of a national defence committee has ranged far and wide.

What little knowledge I have about the rules of this house led me to believe that we had to hold closely to the establishment of that committee. But because hon. members were allowed to wander away a bit from the subject, we have had to listen to rather lengthy speeches.

The motion speaks of a committee appointed to report from time to time its observations and opinions.

I am wondering what purpose will be served if, from time to time, the committee airs views or makes representations when the policy of the government has already been enunciated. The committee will be unable to change the government's decisions.

Even the Prime Minister (Mr. Pearson) said so, as indicated in *Hansard* of May 30:

It would certainly be no substitute for the responsibility which the government must have in the making of decisions in regard to defence, the same responsibility which it has in making decisions on other aspects of policy.

And a little farther:

No government can evade its responsibilities in the matter of defence or in any other field by the establishment of a committee.

Of course, fact-finding committees can always be interesting.

However, when it is known that several members will be kept busy, that many witnesses will be called before the committee—and it was also announced that several trips will perhaps be necessary to visit the military establishments under the jurisdiction either of Canada herself or of NATO or other organizations—it is realized that expenses will be relatively high and that the decisions of the committee will have no effect at all.

In order not to take too much time I would like to say a few words about what should be the set-up of the defence committee which, during the election campaign, was advocated by a party other than the Liberal party. I am sure others will share my views.

By the way, I would like to give a few explanations to the hon. member for Edmonton West (Mr. Lambert) who is wondering how a committee can be non-partisan if it is made up of members of a party. A committee can be made up of members of a party who, for once, will act not so much as supporters of that party but as members representing the will or wishes of the people of their riding, that is their electors. It is very easy to have a non-partisan committee even if it is made up of members who belong to one party or another.

I would suggest that the information given and the recommendations made by the committee be provided to the house and that members be given the opportunity to vote not as members of a party but individually, freely, without partisanship, according to their own feelings about the recommendations of the defence committee but especially according to the opinions of their constituents.

The more we go the more we find that nuclear arms are a complex question. Many are those who have preconceived ideas without knowing what this is all about. However, I feel that we should consider the opinions of our constituents, and that is why I recommend—I doubt that this will be accepted—that the report of the defence committee be submitted to the house and that members of all parties be allowed to vote freely, that is not necessarily along party lines, so that the people of Canada may be truly represented here on this question, whatever the policy of the different parties.

I for one know many members who do not agree with the official policy of their own party.

So, if Canada is truly a democracy, if our election to this house was truly democratic, I believe that for once the House of Commons should give an example of democracy in action by allowing its members to truly represent their constituents here.

(Text):

Mr. W. B. Nesbitt (Oxford): Mr. Deputy Speaker, this is the first time I have had the opportunity of participating in debate in the twenty sixth parliament and I would like to avail myself of the opportunity to congratulate the Speaker and yourself on your election to the very high offices you hold. I think all of us are quite sure that both His Honour the Speaker and yourself will carry out your duties in the highest traditions of the house.

The first time that any of us heard very much about this Commons defence committee was through reading a Canadian Press report during the recent election campaign. That report attributes to the Prime Minister the statement that a Liberal government would set up an all-party House of Commons defence committee right away, to take the defence issue away from partisan politics, and that the committee's work would be part of a Liberal government's review of Canadian defence policies to determine an appropriate role for this country. This statement was reported to have been made by the Prime Minister in Kingston, Ontario, on March 26 last.

The clear inference of this statement was first of all that any such committee would be non-partisan; second, that such a committee would provide a review of defence policies for the purposes of determining Canada's role in defence. Now, this seemed very good. At least it was good election bait, but a number of us who have spent some time in the house and who are familiar with the operations of the committees of the house were a little dubious about the practicality of such a suggestion. However, being fair-minded persons, we decided to wait and see what would transpire.

Well, Mr. Speaker, now things have changed. We now have the terms of reference of the committee and we find there are to be 24 members allotted as follows: 12 Liberal members, eight members of the official opposition and two each from the other two parties in the house. Presumably the chairman will

be elected from among the government members and of course he will have an extra vote in case of any ties. That, Mr. Speaker, deals very decisively with the non-partisan aspect of such a committee because any recommendations coming from it would clearly be the views of the government members on the committee.

Subsequently during this debate, if I heard him correctly, the Minister of National Defence informed us that there would be no classified information provided to the committee. One can only conclude from that that there would be no information of any real value provided to the committee, and I for one would like to know how defence policies, even in fairly general terms, could be recommended without having any knowledge or any facts of real importance?

It is quite true that, similar to the external affairs committee which has been sitting for a number of years, and of which I have been a member on various occasions, committee members can make general observations and recommendations; but without classified information it is impossible to make any real recommendations of importance. In any event, how could such a committee, even if provided with classified information, recommend any sort of policies, even in general terms, or indeed study expenditures, unless the committee knew the purposes for which our armed forces are to be used?

To know these purposes we have to have some comprehensive idea of the government's foreign policy. In essence the armed services are only the instruments for carrying out certain aspects of our foreign policy, which of course includes national defence. Defence and foreign policy are like the two blades of a scissors, one has very little purpose without the other. The committee that has been proposed cannot recommend defence policy, or even determine our appropriate role, without very great detailed knowledge of our foreign policy, and in view of this I am very surprised we have not heard from the Secretary of State for External Affairs in this debate.

I am also surprised that we have not heard from the Associate Minister of National Defence (Mr. Cardin) who in days gone by, if my memory serves me correctly, was a parliamentary assistant to the secretary of state for external affairs, and who has a great and wide knowledge of this subject. In other words, to have some knowledge of what our foreign policy must be in order to determine our defence role, I would hope the committee would call as witnesses the Secretary of State for External Affairs and some of his senior officials. In fact, Mr. Speaker, I go a great deal further than that. In order for this committee to be effective I think the committee on external affairs, when it is set up, should hold joint meetings with the defence committee; or better still, the two committees might meet continually. I cannot understand how defence policies can be determined without a very extensive knowledge of the foreign policies of the present government. I think that only by one or other of the methods I have suggested can this be accomplished. I repeat, Mr. Speaker, there should be either occasional joint meetings of the external affairs committee and the proposed defence committee, or the two committees should meet jointly and continually or, at the very least, senior officials of the Department of External Affairs and, of course, the Secretary of State for External Affairs (Mr. Martin) should be called as witnesses.

It may be a platitude to say that we know foreign policy and defence policy are very closely allied; but just for a moment, and very briefly, I would like to illustrate how our foreign policy is in fact so closely related to our defence policy and what sort of questions the committee should consider in this regard. It is often said that our foreign policy comprises our relationships with NATO, with the United Nations, with the commonwealth and our special relationships with the United States of America and other countries. But the first four of these are of course the most important. So far in this debate our relationships with NATO and the United States of America have formed the chief considerations in discussing the relationship between our defence and foreign policies. However, for a moment or two I would like to consider the relationship between foreign and defence policies with respect to our commonwealth and United Nations relationships. As far as our commonwealth relationships are concerned, defence policy is a very important thing. The previous government and, I understand, the present government recently provided military aid to India to help her with her difficulties with communist China. This sort of situation may arise with respect to other countries in the commonwealth, and certainly this committee should make some recommendation to the government in this regard. I would like to leave that phase of the subject with those remarks.

Now we come to our relationships with the United Nations. I think one might divide these into three headings. First, our special forces; second, nuclear policy, and third disarmament. With respect to the special forces, Canada in the past has with great distinction contributed forces to the Near East to serve on the border between Israel and Egypt. As I understand it, there has been very little difficulty in this

regard and our efforts have been very successful and very commendable. In more recent times we have provided communications troops to the Congo. These special forces certainly require special training in geography, specialized warfare such as jungle and desert warfare and the like. In addition to that, special knowledge of the customs and habits of the people of the area to which they are sent is very essential.

For a good many meetings I happened to be a representative of this country in the United Nations Congo advisory committee. While I cannot, of course, go into detail as to what transpired in that committee, I can say from what I heard that every nation which provided troops to the Congo would have gotten into much less difficulty had those troops been provided with some specialized knowledge and training of the geography, habits and customs of the people. Indeed I think I can go as far as saying that some of the difficulties our troops suffered were due to certain misunderstandings. I think if we are to send troops to help the United Nations if such occasions arise in the future, this committee could well consider looking into the matter of providing special training for those troops. I might even go as far as suggesting that perhaps some special adviser who has a knowledge of the area concerned should be provided for the troops when they go to these areas.

Then we come to the question of nuclear policy. This is a very important aspect of our foreign policy at the United Nations. The former government had two policies in this regard. First of all, that there should be no nuclear testing; they were opposed to nuclear testing of any sort. On the occasion when I had the honour of representing this country at the United Nations, the government of the day was opposed to the spread of nuclear weapons as long as there appeared to be some reasonable prospect of disarmament. That was the second policy.

Of course, I do not know what the policies of the present government are in this respect. If the policy is there, it seems a little doubtful, a little hard to find at the moment. But if these policies are to be changed, this committee should know what the changes are in order to be able to make appropriate recommendations. In this field it has been the stand of the present government, as I understand it, that our Bomarcs, CF-101's and 104G's are to be provided with some sort of nuclear weapons. That may be all very well, but I would like to point out in this regard, Mr. Speaker, that during recent years and dating back to the period when the Liberal government was previously in office, Canada had acquired a very favourable reputation at the United Nations for being a leader in the field of disarmament and for having taken a most active part in that regard. We acquired a great deal of prestige in that regard, I might say. More than that—and a great deal of the credit in this instance goes to the hon. gentleman who is now the Prime Minister (Mr. Pearson)—over the years we have acquired a reputation in the United Nations for being an independent country with independent and constructive suggestions to offer.

If we acquire nuclear weapons under the conditions as outlined by the government, we are going to have to forgo a great deal of this prestige at the United Nations. Even latterly, when the new Asian and African countries came into the United Nations a couple of years ago they said to me, "Ah well, Canada is really a satellite of the United States". If we acquire these weapons under the conditions which have been prescribed, this is a danger we are going to have to run at the United Nations. If we expect our prestige to remain constant or to improve we have to take into consideration the effect which the acquisition of nuclear weapons, under the terms we have heard in this house, is going to have.

In addition to that there is the element of suspicion. A number of hon. members in this house have had occasion from time to time to deal with representatives of the Soviet union. I think anyone who has done that knows very well that representatives of the Soviet union are exceedingly suspicious. That is one of the problems that every country has in dealing with subjects such as disarmament, and so on. If Canada acquires nuclear weapons, even for defensive purposes, I am quite sure that the Soviet union will regard these weapons as being just about as much for defence as we regarded the rockets in Cuba for defence.

All these things have to be taken into consideration. We must consider whether it is worth while for Canada to acquire nuclear weapons. It may be that it is worth while for us to do so, and I think this is something on which the committee should make a recommendation. But in making such a recommendation it is important to bear in mind the weight on the other side of the scales. It may be essential for our defence that we should arm the Bomarcs, the CF-101's and so on; it is up to the committee to make recommendations to the government in this regard. On the other hand, it should be remembered that if we do take this step we shall lose our leadership in the United Nations in the field of disarmament; we shall arouse increased tension and suspicion between the Soviet union and the western world, and we shall run the risk of being

increasingly regarded by the African and Asian nations as a military satellite of the United States, thus further weakening our position in the United Nations. I am not presuming to tell this house what the answer should be, but this is something we should all consider and a situation which the committee should bear in mind in making its recommendations.

Disarmament is a field in which Canada has worked unceasingly for many years. When we consider what kinds of weapons we ought to have in the future—and the committee should certainly make some recommendations to the government in this regard—I hope General Burns, the distinguished soldier who has served Canada so well in so many fields and who is now our representative on the disarmament commission, will be called to give evidence. I say this because in formulating defence policy for the future it would be important to have General Burns' views as to the situation which might arise if any progress were made in disarmament.

These are some of the subjects which ought to be considered by the committee. Not all of us can expect to serve on this committee. I hope the recommendations made by so many hon. members of this house will be given the closest consideration by members of that body when it meets.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, the debate on this motion has ranged far and wide and the issues involved in setting up this committee have been well discussed. It is not my intention, therefore, to rehash any of the arguments which have been put forward, but there are one or two things which I feel should be said before the motion is passed and the committee is established.

The first thing I should like to say is something about which I feel very strongly, as a result of experiences over a number of days and weeks, and particularly as a result of what has happened in the last two days. Let me put it as succinctly as I can. I think that we, as members of the House of Commons, and the Canadian people whom we represent, are entitled to the facts—entitled to the truth about our defence situation. I want to pinpoint this argument by speaking with special reference to the so-called commitments which the previous government is supposed to have made.

I have been following this subject closely. I have been listening to what has been said. I have read what has been written. Yet I still do not know whether the previous government made any commitments, so far as acquiring nuclear arms is concerned. In this House of Commons we are expected to speak

responsibly. When an hon. member makes a statement we are expected to take that statement at its face value. That is true of all of us. But somehow it seems to apply with particular force to those hon. members who are members of the privy council. We who are ordinary members of this house are faced with this situation: we have heard the Leader of the Opposition (Mr. Diefenbaker), the former prime minister, declare categorically that no commitments were made by the former government. We have heard the Secretary of State for External Affairs in the present government (Mr. Martin) tell us they have ascertained that commitments were made. I have read and re-read the statements made by each of these two hon. gentlemen. Each used words which were most explicit. But where does it leave us? If it leaves us not knowing what the truth is, where does it leave the Canadian people?

I feel one of the things which this committee must do is to ascertain the truth—whether there was, or was not, any commitment made by the previous government for Canada to acquire nuclear weapons. I recognize that the past is past. Perhaps the present and the future are of greater concern. But I do not see how we can carry on the democratic and parliamentary processes if, with respect to a factual item as basic as this one, we cannot get the truth.

Because I have said that two hon. gentlemen in particular have made contrary statements, let me put them on record. The Leader of the Opposition, speaking in this house on May 21 as reported on page 126 of *Hansard* said this:

> I say immediately that there are and were no commitments on the part of Canada to accept nuclear weapons. And, Mr. Speaker, I have no doubt that since taking office hon. gentlemen opposite, busy as they are in these days of decision, have searched with microscopic care. They have searched but they have not found.

Today, the Leader of the Opposition repeated that sentiment when he said—and in this instance I am relying on my own notes which I took at the time—that the present government had snooped and searched and sought but had found nothing. I cannot imagine a member of the House of Commons being more precise, more definite, than the Leader of the Opposition has been. He says the government of which he was the head made no commitment for Canada to acquire nuclear arms and he says that the government now in office has had time to snoop and search and seek, but that it has not been able to find any commitment.

On the other hand, the other day, in reply to a question on the order paper filed by my hon. friend the member for Greenwood (Mr. Brewin) to be found in *Hansard* of June

5 on page 675, the Secretary of State for External Affairs had something to say on this subject. The question was in two main parts. This was part one:

> Has the government of Canada found out whether its predecessor entered into any commitment or undertaking with NATO or any government or person involving the use by Canadian forces of nuclear warheads in Europe or in Canada?

The answer given to that question by the Secretary of State for External Affairs, as it appears in *Hansard*, was in one word. That word is, "Yes". So where are we? There is a categorical statement by the Leader of the Opposition that there were no commitments by the previous government, and there is an equally categorical statement by the Secretary of State for External Affairs that the present government has found those commitments. We in this house and the people of Canada are entitled to the truth. I hope this committee, when it is established, will recognize that is one of its responsibilities, to go at this until it has ascertained what the facts are.

I am further confused in all this, as I am sure most hon. members are, by what happened yesterday. I presented a motion which I had hoped would clear up this confusion. It was a motion for production of papers in which I asked that any documents citing these commitments be produced. In the midst of that discussion the Leader of the Opposition (Mr. Diefenbaker) said that there were no documents to produce. His exact words are to be found on page 688 of *Hansard*, where he is reported as saying:

> Mr. Diefenbaker: There are none such to produce.

I was a little confused when a few minutes later the Leader of the Opposition voted against a motion to produce a summary of the documents which he said do not exist. That puzzled me, but perhaps I can understand his position. He said that we should have the documents in their entirety or nothing at all. I took it from his other categorical statement that there were no documents which contain any commitments; and from the other side of the house we are told in the simplest and most straightforward of terms, yes, there are commitments which were made by the previous government which this government, having got into office, has found.

Mr. Speaker, the question which my colleague, the hon. member for Greenwood, placed on the order paper, and which was answered yesterday at page 675 of *Hansard*, had a second part to it, as a natural development. First of all he asked whether any of these commitments had been found, and the answer was yes. The second part of the question was as follows:

> If so (a) to whom was the commitment or undertaking given (b) what were the terms of such commitment or undertaking (c) was the undertaking explicitly or by implication revocable by the government and under what conditions (d) was the commitment or undertaking in writing and what was the nature of the document (e) by whom was it given or made, and with what authority (f) what was the date of such commitment, if any, or the ratification thereof by the former government of Canada?

I submit, Mr. Speaker, that if the answer "Yes" is correct, and if the present government by snooping, searching and seeking has found that there were commitments, here was the opportunity, in answer to the second question by the hon. member for Greenwood, to give enough factual information to prove the statement that this government had found the former government's commitments.

Mr. Cameron (Nanaimo-Cowichan-The Islands): They are both lying.

Mr. Knowles: That was a pretty strong interjection from my hon. friend the hon. member for Nanaimo-Cowichan-The Islands. I confess that when I first put my motion on the order paper I thought it would prove that either one side or the other was telling the truth, but as this situation has developed I have got lost. I do not know which side is telling the truth and which side is leading us down a blind alley. As I say, I am confused by what the Leader of the Opposition did yesterday, but despite what he did when it came to the vote, his statements are categorical—that there were and are no commitments. He repeated it tonight. He said they had snooped, searched and sought but found nothing. But the government says it has found something.

The present government was given a clear opportunity in the question of my colleague to fortify its answer. There are several paragraphs to the answer and I would ask the house to listen to part of it, as reported on page 675 of *Hansard*:

> In respect of Canadian forces in Europe the undertakings arise out of NATO processes. NATO does not enter into formal agreements or treaties with member nations regarding their military contributions. The military authorities of the alliance set certain requirements and individual countries determine what contributions they will make toward meeting those requirements. The whole process is accomplished by direct discussions with the NATO commanders concerned and is confirmed in an annual review process which is secret.

Well, I hope somebody understands that. I hope somebody can assess that paragraph and tell me whether the government has found the commitment, as it says it has, or whether it is just shoehorning us into the position of becoming a nuclear power.

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

Mr. Knowles: Certainly.

Mr. Churchill: I wonder if the hon. member will draw attention to the fact, as he is directing us to that answer, that in the answer the word "commitment" is not used at all.

Mr. Knowles: My hon. friend can himself read further, or have others do so, from the answer on page 675. I think the hon. member is correct that the word "commitment" does not appear. The word "agreement" appears in two or three places, and it deals, by the way, with the situation in Europe and the situation in Canada. But the language is the same: we have got into this situation because of certain processes. My hon. friend the hon. member for Winnipeg South Centre (Mr. Churchill) need not get too much of a Cheshire grin on his face—

Mr. Churchill: It is a Martin answer; that is why I am grinning.

Mr. Knowles: —because the answer given by the Secretary of State for External Affairs (Mr. Martin) is referring to what took place when the hon. member for Winnipeg South Centre and his colleagues formed the government, when these processes which the present government says are the means by which we have become a potential nuclear power were begun.

I want now to move from the point which I think I have established, namely that we are in a state of confusion, that we do not know who to believe, that we do not know what the facts are and what the truth is. Surely, the committee should get this for us. I want to move on to this statement, that if we are becoming a nuclear power, either big, middle-sized or small, surely this is the most striking, most significant, most important change ever to take place in Canadian defence policy. If that is the case, it is a change which we in this party do not want to see take place. But it is taking place. Therefore it should surely be done out in the open in a forthright manner, and not just because the processes in which we have become involved somehow shoehorn us into the nuclear club and take us into it by a back door method. This is too important and significant a development in Canadian defence history for it to happen in this way.

Mr. Speaker, look at what has happened. We have a government in power today whose members a few months ago were opposed to nuclear weapons for Canada. On January 12 this year that position changed. We were told the reason the Liberal party changed its policy was because it had discovered that the previous government had made commitments. We cannot find out whether or not that is true, and I think we know less about it today than at any time in the piece. We discover, from the kind of answer given to my colleague from Greenwood yesterday and from what the Secretary of State for External Affairs said in rely to my motion yesterday, as reported at page 688, that we are being taken down the path into the position of being a nuclear power, not by an overt decision of the kind which can be put on a table and told about in precise terms, but because of some processes which get going which we cannot stop. It is like the automatic elevators we have in this building. If somebody puts his finger on the button it has got to go through the process. Somewhere somebody is putting his finger on something and we are being taken down the path and one of these days we will find ourselves part of the nuclear club, a nuclear power of some sort or other, without the matter ever having been discussed in an open way and on a forthright basis.

Yesterday the Secretary of State for External Affairs (Mr. Martin), in his comments on the motion that I put which I hoped would clear up the matter, did not say categorically at that point that there were commitments as he did in answer to the order paper question of the hon. member for Greenwood (Mr. Brewin), but he implied that there were commitments because he said:

> The commitments entered into by the government of Canada to accept nuclear weapons for Canadian forces in NATO and at home are to be found, *inter alia*—

You always fool somebody when you put in a Latin phrase.

> —in Canadian submissions under the NATO annual review procedure, in statements made in the Canada-United States ministerial committee on joint defence, and in the records of the discussions in the permanent joint board on defence. These documents include information the release of which could prejudice the national security of Canada and of its allies.

If that is where these commitments are, Mr. Speaker, surely the sentences that were precise and definite and that did commit us could be extracted and could be given to us. Here we are in the position that there is being made for us the most important, the most significant, the most far reaching decision in defence policy that has ever been made for this country and we cannot get the truth about it. We cannot find the date on which it was made, we cannot find the terms, we cannot get the document, we cannot get any evidence, any proof of it whatsoever.

Mr. Douglas: Parliament has had no chance to commit the country.

Mr. Knowles: As my leader has pointed out, parliament has had no chance to commit

the country on this matter either under the previous government or under this one.

We support the proposition that a defence committee should be established. In fact, the more this kind of thing comes to light the more it looks to me as though this should be a permanent committee, not just a committee for this session to review this particular issue. It looks to me that if we are going to have defence policy put over on us in this way through the back door, by the shoehorn method, we have got to have a permanent defence committee of the House of Commons to keep its eye on what is happening.

I hope, therefore, that in this committee there will be no restrictions. If it is necessary for it to meet in camera to get the facts and the documents in order to straighten out some of these things, let it meet in camera, but I think we in the House of Commons as a whole have a right to expect from that defence committee a clearcut report in which it tells us what the truth is. Were there commitments? Were there not? Were there commitments made by the previous government or is the present government making commitments for Canada relying on the statement that the previous government had made them? The situation is as confused as it can possibly be. Surely in a field that may well determine life and death for the human race these matters should be dealt with in a forthright and open manner.

This is a democratic parliament in which we are dealing with these things. It is not good enough for us to be caught in the position where the Leader of the Opposition says one thing and the Secretary of State for External Affairs say the very opposite and we are called upon to accept both of them as being truthful and honourable men. What do we know when we come to the question of how we got over this line from being a conventional military power to a nuclear military power? We cannot be told, no matter how precisely the question is put. We cannot be told what the date was, what the document was, what the commitment was.

This is not good enough, Mr. Speaker. This is why we support the establishing of this committee and we earnestly hope that it will be given all of the opportunities, all of the rights and privileges, that pertain to committees so that it can get the answers, so that it can bring this business out in the open, so that we can know what our defence policy is and where we go from here.

Our position in this corner of the house is well known. We think that Canada should not acquire nuclear weapons. We regret the decisions made in this direction already but whatever decision is taken surely it should be taken in a parliamentary way with all the facts being made known to us and, above all, let us have for parliament, let us have for the people of Canada, the truth.

Mr. Churchill: Will the hon. member permit a question?

Mr. Knowles: Certainly.

Mr. Churchill: Having two answers given, one which is precise as given by the Leader of the Opposition and one which is evasive as given by the Secretary of State for External Affairs, is it not an easy choice for anyone?

Mr. Knowles: Mr. Speaker, I wish it was as easy as all that. If it were I would be glad to recognize that a precise answer is clearer than an evasive one. But, Mr. Speaker, both these gentlemen have been precise.

Mr. Churchill: You did not say that earlier.

Mr. Knowles: Just a minute. The Leader of the Opposition says there were and are no commitments. That is as precise as it can be. When the Secretary of State for External Affairs is asked, has this government found any commitments that were made by its predecessor, his answer is not evasive. His answer is as precise as it can be, almost biblical in its precision. His answer is yes. One says black; the other says white. One says yes; the other says no. They are both honourable men. They both tell the truth. Where are we?

The Acting Speaker (Mr. Batten): The right hon. Prime Minister.

Mr. Churchill: Mr. Speaker, if the Prime Minister speaks now he will close the debate and there are two or three members seeking the floor.

The Acting Speaker (Mr. Batten): The hon. member for Fraser Valley.

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, we in this group welcome the announcement as well as the resolution calling for the setting up of a defence committee. Hon. members will recall that the leader of this group, the hon. member for Red Deer (Mr. Thompson), requested some time ago that a committee be set up that would, in the light of all relevant information and factors, make recommendations with respect to a defence policy adequate for the defence of this nation. After two of our members had spoken in this debate outlining our position we intended to rest our case, but because the debate has continued for a considerable length of time we have decided that we will risk the displeasure of those who would like to conclude the debate and once more participate on this occasion.

We believe that national defence is too vital an issue to remain a political football and this is what it has been for a considerable length of time. We believe that a committee such as is proposed can do a very worth-while job in looking into the entire defence picture, assessing the situation with respect to our defence role and then coming forward with the suggestions and recommendations that the committee believes will be in the best interests of the Canadian nation.

I know that the hon. member for Edmonton West (Mr. Lambert) spoke in rather sceptical fashion regarding this committee and suggested that we were rather naïve in expecting that anything worth while would be achieved by the operations of such a committee. However, we believe that this committee, if given the chance, if given the opportunity, can come forward with some very worth-while proposals regarding the issues involved. I should like to make my remarks as brief as possible but I wish to suggest some of the factors which should be considered by this committee when it is in session. First of all, I believe it should somehow or other try to establish the nature of the challenge before us in Canada and in the free world. Sometimes we forget the objective, sometimes we forget the challenge and because we forget the challenge that is before us we kind of shoot off in all directions, when we try to establish some way in which we can meet that challenge and solve our problem.

We have heard a great deal down through the past number of years about the strategy of world communism. It has been outlined not only in military terms, but on many occasions it has been pointed out that it is more or less an ideological attack. I think this is true. We have not heard so much recently about the struggle for men's minds. I am sure, however, we all realize that that struggle is still continuing, that battle is still in progress. I wonder whether or not this committee is going to just consider the whole issue on the basis of military consideration or whether they are going to have the opportunity to consider it from the other angles, the ideological aspects of the challenge, the economic aspects of the challenge, as well as the military.

Now, I do not think it is necessary for the house at the present time to discuss at length the type of armaments required and these various matters. I suggest, Mr. Speaker, that should be the responsibility of the committee. I think it would save a great deal of time if it were left to that body. I would suggest, however, that the committee should give consideration to the nature of the challenge before us and then try to come forward with some positive suggestion as to how to meet that challenge.

The second matter to which I should like to refer is one that was dealt with very fully and adequately by the hon. member for Winnipeg North Centre (Mr. Knowles). Since he has dealt with it so fully, I am just going to refer to it at the moment. I believe that the committee must, somehow or other, determine as to whether or not commitments have been made in respect of nuclear armaments. The hon. member for Winnipeg North Centre has referred to the conflicting statements made by the Leader of the Opposition and the Secretary of State for External Affairs. Perhaps we could tie the Prime Minister into that situation, because we find that at the present time on the government side we have the statement that commitments have been made and the present government is only fulfilling the commitments as they proceed to acquire nuclear weapons. On the other hand, we have the assertion that no commitments have been made. We find, therefore, that we are betwixt and between. It is very difficult, as has been pointed out, to find out just what the situation is.

I would suggest that these right hon. gentlemen stop talking in riddles, that they come right out and say what they mean and prove their points. Then, we in the House of Commons as well as the people at large will be able to understand the situation in a clearer fashion. So long as these gentlemen talk around in circles and in riddles, I am afraid the situation is not going to be clarified to the satisfaction of either the house or the people of the country as a whole.

I believe, Mr. Speaker, that the third consideration that should occupy the attention of this committee should be the nature of the contribution we can make in our own defence and the fulfilment of our obligations to the other nations of the world. On other occasions the leader of this group has pointed out very clearly what we believe would be an adequate and sane defence policy for Canada. We have suggested that we believe at the present time, so far as we can assess the situation, Canada can make its greatest contribution in fields other than the nuclear field. We have emphasized time and time again that we could make our greatest contribution in the field of conventional arms, detection and communication, and in the other phases that do not require actual entry into the nuclear situation.

But once again we find that this proposal has not apparently met with the approval of the Prime Minister or the members of his government. Some time ago we debated a subamendment in respect of nuclear arms.

Somehow or other the idea got across the country that this was a straight vote on whether or not to accept nuclear weapons for Canada's forces. I would suggest, Mr. Speaker, that a vote against that subamendment did not constitute a vote for nuclear weapons. We all recognize the fact that it was a want of confidence motion. I believe that to read anything else into it is just a little less than honest.

We would suggest, therefore, that this committee should study very carefully the nature of the contribution that we can best make, and find out whether or not we can make it perhaps as I have said in fields other than the nuclear field. We think of our financial situation. We consider the continual increase in our national debt. We think of the difficult economic situation through which we have recently passed and we ask ourselves the question, are we in a position to assume responsibility, from a financial point of view, for the acquisition of nuclear weapons and the maintenance that this would involve? We also think of our nation as a great nation. Geographically, it is a great nation, and so far as quality is concerned. We also recognize the fact that we have just a little less than 19 million people, and when we consider the problem from this point of view, we suggest that possibly our contribution should be in fields that are not perhaps as onerous, but yet as needful, as the entry into the nuclear field.

Now we have the Prime Minister stating on a number of occasions that the government is going to fulfil the commitments that Canada has made, and then renegotiate our position with a view, somehow or other, to finding a non-nuclear role for the Canadian forces. I would suggest we have not heard much about that recently. It has somehow been forgotten and instead of searching out another field and another role for Canadian forces, it seems as though we are rushing headlong into the nuclear field without any intention whatever of stopping.

There is another matter that I believe should be considered, and it is this: This committee should consider how we can best achieve this higher goal of peace and security that every Canadian, I believe, desires our nation should achieve. We have mentioned the astronomical amounts that are being spent by Canada on defence, or at least we have inferred that. Then, we are reminded by reports in the newspapers today that perhaps we will be saddled with additional expenses in regard to our military contribution. I would suggest, Mr. Speaker, that we ought to give serious consideration to the means whereby we can achieve, as I have said, the higher goal of peace and security that constitutes the dream and aspiration of the Canadian people.

There have been discussions in the field of disarmament and I believe we all recognize that the governments of the past made valuable contributions in the quest for disarmament. I had an opportunity of being attached as an observer to the Canadian delegation to the United Nations several years ago, and I remember the activities of the delegation at that time as it endeavoured to accomplish something in the field of disarmament. I also followed with a great deal of interest and appreciation the activities of the former secretary of state for external affairs, the Hon. Mr. Green, as he sought in a very able and sincere manner to accomplish something in this particular field. We appreciate that, and today I believe the need is urgent, even more urgent than ever before in history, that every attempt and every endeavour be put forth to achieve some r easure of understanding with respect to disarmament, not only in so far as nuclear weapons are concerned but conventional weapons as well.

I believe the committee should consider the matter of assistance to other nations as a factor in the defence of our own nation, the defence of this continent and the defence of the free world, but above all I would suggest one of the greatest ways in which we can make a contribution in the defence of Canada is to make our nation strong economically, strong morally and, yes, strong militarily in order that we might present to the nations of the world an example of what can be done under a free, democratic and Christian way of life.

There are those who suggest in a rather sceptical, almost cynical manner, that this committee will just be a sop to silence the critics. I would not want to take that attitude. I do not intend to take it, but I would suggest that with the way the government has been moving forward in this particular field of defence it might almost develop into that, because in so many cases it seems as though the government is pressing forward rapidly, almost with indecent haste, in order to reach certain objectives before the committee has an opportunity of studying the matter and bringing it to the attention of the house.

Reference has been made to the discussions that are currently taking place with Mr. Merchant from the United States. It has been pointed out by the Prime Minister that these are more or less routine, and are the culmination of a series of discussions that have been taking place with the various NATO countries. I would point out we have had an assurance from the Prime Minister, and I

believe we can depend on it, that before any move is made with respect to this type of force which goes beyond defence and constitutes an offensive force in many respects, it is something which should be brought before the committee and before the house for full discussion before action is taken.

The terms of the resolution indicate that the committee will present its observations and opinions, and the Prime Minister has also indicated that the committee will not have access to classified information. It almost seems as though he is pulling the teeth out of the committee before it starts its work. He is putting limitations upon it which will make it almost impossible for it to function adequately, and we only trust that in the area of classified information it will just be classified and not the type of information that perhaps the government does not wish, or does not think, the committee should have in its possession.

I also trust that the observations and opinions will not just be considered observations and opinions, but will be considered recommendations that are worthy of the careful consideration of the government, because we would like to think that every hon. member of the house, whether on the government or opposition side, is desirous of arriving at a policy that will be consistent with the standards of morality, and also be adequate for the defence of our nation. With these observations, Mr. Speaker, we would like to rest our case at this time and trust the committee will be set up and allowed to proceed with its work.

Mr. G. L. Chatterton (Esquimalt-Saanich): Mr. Speaker, I wish to make a few brief remarks at this time. I notice of course that the Prime Minister is very anxious to stand up and close off the debate, but before he gets that opportunity I wish to say the substance of my few remarks is an appeal to an appropriate spokesman for the government, either the Prime Minister or the Minister of National Defence, to give this house and the people of Canada, at this time, a rather comprehensive statement on the position of the government with regard to the question of national defence, nuclear arms, our relations with NORAD and with NATO.

The reasons why I feel this is an appropriate time for such a statement are, first, that although the resolution is to set up a defence committee the Prime Minister, when he moved the resolution, confined his remarks to the question of whether or not the committee should be set up, and to what the terms of reference of the committee should be. But, subsequent to that by agreement, as stated by the house leader, the debate on the resolution came to be of wide content on the whole field of national defence. Actually this is the tone of the speeches that have been made in the debate to date and, this having taken place, surely this is a time for a spokesman of the government to give the house and the public the statement I have suggested?

When the hon. member for Winnipeg South Centre (Mr. Churchill) first spoke on this question he suggested that the Minister of National Defence might want to make a statement. At the time the minister declined. Subsequently that evening, a week ago today, the hon. member for Peace River (Mr. Baldwin) again coaxed the minister to make a statement. The minister did but, Mr. Speaker, I submit that the contents of the statement he made further indicate the need for a different type of statement at this time, because what the minister said a week ago tonight indicated the complete lack of information that exists.

He did give us one or two little gems of information, one of course being that a survey during the last election showed 30 per cent of the people believed Bomarcs were intercontinental ballistic missiles. Then he went on to say:

> —some of the facts and figures used in this debate are just about as absurd as that.

Surely that statement by the minister indicates that some further elucidation is required? The minister went on to say:

> This is no reflection on anyone, but really only a demonstration of the fact that for the last three or four years the Canadian people and the Canadian parliament have been starved of real information on which they could base an intelligent opinion.

Well, Mr. Speaker, the starvation has now turned into a famine. The Minister of National Defence went on to say, in his statement in this debate:

> Consequently I had to go outside this country in order to seek this information. I had to get the reports of the United States congressional committees and read them at length, where they told not only about the defence forces of the United States but gave much more information about Canadian forces than I could get from my own government.

Surely, Mr. Speaker, there is some compulsion on the Minister of National Defence to share this information with the ignorant members of this house, certainly those on this side of the chamber. I submit that this is a second reason for now being an appropriate time for the minister to make a comprehensive statement on this subject. I recognize that under the rules of the house the Minister of National Defence has made a statement in this debate, but I am quite sure that if he were to request unanimous consent

in order to make a further statement, all hon. members on this side of the chamber would give such consent.

Another reason for my thinking this is an appropriate time for the government to make a comprehensive statement is this. Although it is proposed to set up this committee, the fact of the matter is that from all the information I have been able to get from the press—very little in this house—a major decision as to defence has already been taken by the government, namely to accept nuclear arms on Canadian soil subject to an agreement with the United States, and to accept what might well be offensive weapons for our forces overseas. Surely if that decision has been taken by the government this house is now entitled to an explanation from the government as to the reasons which prompted them to make such a decision. Is the major reason the fact, as they maintain, that the previous government had committed Canada to accepting nuclear arms? We are entitled to know from the government what their position is. A further reason for my thinking the government should at this time make a comprehensive statement is the events of the last election. The question of defence and nuclear weapons was a major and important issue in the last election campaign. This government has been in power since April 22 and as yet we have had no statement of a comprehensive nature or of any substance from any member of the government on this important question. I should like to quote from an article in the Montreal *Gazette* of February 15 this year commenting on what the Prime Minister had said on this question, that he has "some ideas" of Canada's defence role in the future, and that he will make his views known in detail if the Liberals are elected.

Mr. Speaker, when, may I ask? Perhaps the Prime Minister or the Minister of National Defence, his spokesman, will tell us, if they are not prepared to make their views known at this time, when they will be prepared to do so. If the defence committee is set up, as I assume it will be, and sits, when will be the next occasion this house will have an opportunity to debate the question of national defence? As I see it, it may not be until the defence estimates are placed before the house and, judging by the hesitancy on the part of the government to deal with this question to date, I would hazard a guess that the defence estimates may be the last of the estimates to be placed before the house. So it may not be until late this year, or perhaps later than that, that the house will again have a formal opportunity to discuss national defence. Unless the Prime Minister or the Minister of National Defence tell us otherwise, I believe there is some reason for a general suspicion that the motion to set up this committee is a way of sweeping something under the rug for a period of time.

Mr. Speaker, we are approaching the end of the 60 days of decision. I hope the government will on this occasion make the important decision of giving this house and the people of Canada a statement as to their position on the whole question of defence and nuclear weapons.

(Translation):

Mr. Georges Valade (St. Mary): Mr. Speaker, the remarks coming from the other side of the house show once more the arrogant position they want to take in debate by preventing members of the house from expressing their views on nuclear arms. This is nothing new, because we have known not only an arrogant Liberal government in the past, but also an arrogant Liberal opposition during last session.

Mr. Rouleau: Order.

Mr. Valade: If the hon. member for Dollard (Mr. Rouleau) wants to speak about nuclear weapons, he may do so tomorrow. If I accepted to take part in this debate, it is because I am convinced and I am aware that the people from Quebec have been betrayed by the members elected to this house to make the views of the province of Quebec known on this vital question of nuclear weapons.

The Quebec Liberal members—and there are quite a number here—stated during the electoral campaign that their leader would leave them free to express their opinions on a question as vital for Canada as the acquisition of nuclear arms.

A few days ago, when we had a vote on that issue, the Quebec Liberal members without exception supported the nuclear arms policy of their leader who promised on numerous occasions that no nuclear weapons would be stored on Canadian soil if he ever became Prime Minister.

That is the reason why I agreed this evening to say a few words on the resolution, which is nothing but a smokescreen to hide the arrogance of the Minister of National Defence (Mr. Hellyer) who, even before the NATO conference in Ottawa, accepted a nuclear role for Canada even though parliament had had no opportunity to examine the question. That is further evidence of the

arrogance of the Liberal party, not to speak of this new betrayal on the question of nuclear armaments.

When the NATO meeting was held in Paris, I had the opportunity of being present —the hon. member for Hull (Mr. Caron) can make his speech some other time—I had the opportunity of being there last fall, with my good friend, the hon. member for Trinity (Mr. Hellyer), who is now Minister of National Defence. On that occasion, and the verbatim reports printed after the meeting are there to prove it, the majority of the member countries of NATO were against accepting a nuclear force imposed by the United States. And the Minister of National Defence did some lobbying. He went to see General Norstad and Admiral Smeeton to promise them that Canada would accept nuclear arms if the Liberal party were returned to power following the election which he was preparing in collusion with the United States.

I have here, Mr. Speaker, an excerpt from a statement which makes it very clear that the present Minister of National Defence, the member for Trinity at the time, had committed Canada beforehand to a nuclear arms policy. A quick look at the reports of debates and proceedings of the NATO plenary assembly is sufficient to convince us that the member for Trinity kowtowed to General Norstad. I have before me an excerpt from the report of the NATO meeting and I shall quote the very words uttered by the Minister of National Defence. I quote:

(Text):

> We all enjoyed the addresses of General Norstad and Admiral Smeeton which were most helpful, but in our own deliberations we appeared to be reluctant to come to grips with reality. For example, our dismissal of the question of control of nuclear arms as a political problem—

Thus, by his own words, the minister has made a public profession that members of NATO were not ready, then, to accept multilateral control of nuclear arms within the alliance. This, the minister knew. He also knew that the people of this country did not want to participate in contributing to augment the nuclear club.

(Translation):

Mr. Speaker, I have quoted those sentences in English because I wanted the Minister of National Defence to realize that what he said at the NATO conference last fall was irresponsible and gave evidence that he was already in collusion with his friends, the Americans, in order to make sure that his party would have the necessary funds for the forthcoming election campaign.

Liberal members are much more eloquent when they say nothing, because, then they cannot contradict themselves. But not all of them have the courage of their leader, a Nobel peace prize winner—

Mr. Valade: Mr. Speaker, I know that my hon. friends would rather applaud than listen to the truth. Just like the appointment of a special committee to consider the nuclear weapons question, that applause is a smokescreen to prevent members of the opposition from expressing the feelings of the Canadian people in this house.

If the Liberal members applauded when I mentioned the Nobel peace prize—

Some hon. Members: Hear, hear.

Mr. Valade: I wonder if the Liberal leader who, at the present time, does not have the courage to ask his supporters, his followers, to allow us to speak freely in this chamber, would have been awarded the Nobel peace prize—

Some hon. Members: Hear, hear.

Mr. Valade: The violent and quite loud interruptions from our opponents remind us of that dark day in Canada's parliamentary history when, by their applause, they boycotted the then prime minister, the present Leader of the Opposition (Mr. Diefenbaker)—

Mr. Deputy Speaker: Order. May I suggest that the hon. member talk to the motion now under study.

Mr. Valade: Mr. Speaker, I accept your remarks with humility and respect but it seems to me that you should also ask the members of the party in power to let us express freely our views without interrupting us with the lack of courtesy and the arrogance familiar to the Liberal party. In fact, that attitude proves once again that arrogance is the main concern of the government members and I would ask you to call to order those "trained seals" as they have been called in the past.

Mr. Speaker, if I spoke as I did, it is because the defence committee to be set up is nothing more than a smokescreen to prompt the Canadian people to accept a nuclear arms policy which they have refused and rejected. Furthermore, the Liberal government should keep in mind that as a political party, they are only a minority here and that the majority of the electors voted against nuclear weapons.

I think this committee on national defence will be set up simply as an effort to obviate the government minority in order to force upon our Canadian citizens a nuclear policy which they rejected at the last election. Moreover, that committee will certainly not settle the question, because it will be made up so as to give the party in power a clear majority in case of a vote. Besides, the Minister of National Defence stated that the government

policy would not be made known to that committee. In brief, it will be a free discussion which will lead nowhere, but will absolve the Liberal party for having betrayed the people in the matter of nuclear weapons.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I regret very much—

Mr. Deputy Speaker: I must remind the house that if the Prime Minister speaks now he will close the debate.

Mr. Pearson: I regret very much that the hon. gentleman who just sat down has indicated that he will not be able to support this resolution setting up a defence policy committee. In doing so, he was, no doubt, speaking for his party which has in the past always opposed the establishment of such a committee. I am very sorry they are opposing it on this occasion.

A defence policy committee could serve a most useful purpose at this particular time and it is remarkable that only one of the four parties in this house has seen fit to pour scorn on it, to call it a smokescreen, and thereby oppose it. That is most regrettable.

May I call it ten o'clock?

BUSINESS OF THE HOUSE

Mr. Churchill: I wonder if the leader of the house is able to clarify the statement on business he made last night.

Mr. Pickersgill: I think I can now confidently, or with reasonable confidence, predict that this debate will end tomorrow.

An hon. Member: You can't be sure.

Mr. Pickersgill: No, one cannot be sure. Orders of the day may be dragged on all day. But we hope that this debate can be ended in orderly fashion. As soon as it has been concluded we shall take the resolution to precede the economic council which, I would hope, if the debate can be focused on the subject, should not take very long. After that we will take the resolution to precede the bill on the department of industry. Should that be completed, the next resolution to be taken tomorrow will be the resolution preceding the bill respecting the Department of Agriculture. I doubt if we shall get beyond that before five o'clock.

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

HOUSE OF COMMONS

Friday, June 7, 1963

The house met at 11 a.m.

PRIVILEGE

MR. BALDWIN—STATEMENT BY MR. SPEAKER ON REPORT OF PROCEEDINGS IN HOUSE

Mr. Speaker: At the opening of yesterday's sitting the hon. member for Peace River raised a question of privilege based upon the report of Wednesday's proceedings recorded at page 73 of *Votes and Proceedings* with regard to the motion for the production of papers in the name of the hon. member for Winnipeg North Centre. Hon. members will recall that I reserved my decision at that time.

As was suggested by the Minister of Labour and by the hon. member for Winnipeg North Centre during the discussion which followed, it would seem there are two points involved in the question raised by the hon. member for Peace River. In the first instance there is a point of order in regard to the regularity of the proceedings on Wednesday last, and in the second place an alleged question of privilege.

Allow me to deal first with the reference made to the purported irregularity in procedure in the case under review. Paragraph 1, citation 70 of Beauchesne's fourth edition, reads in part as follows:

> Points of order are questions raised with the view of calling attention to any departure from the standing orders or the customary modes of proceeding in debate or in the conduct of legislative business, . . .

Paragraph 4 of the same citation reads as follows:

> A point of order against procedure must be raised promptly and before the question has passed to a stage at which the objection would be out of place.

It is my view that it would be inappropriate for me to discuss at this time the regularity or otherwise of the procedure followed in this case last Wednesday since, as was stated by the hon. member for Winnipeg North Centre, "What happened yesterday, happened; we cannot turn the clock back.".

Perhaps I might make a further comment with regard to this point before leaving it. Standing order 35 reads in part as follows:

> No member may reflect upon any vote of the house, except for the purpose of moving that such vote be rescinded.

Now, a vote was taken and duly recorded in *Votes and Proceedings* of Wednesday last on this question. It seems to me that the last part of the discussion which took place yesterday was in contravention of the provisions of this standing order 35.

We come now to the second point which the hon. member for Peace River designated as a question of privilege based upon the report of Wednesday's proceedings as recorded at page 73 of *Votes and Proceedings* for Wednesday last. The hon. gentleman referred to a ruling or a statement by one of my very worthy predecessors in 1961 concerning the practice of this house in regard to the acceptance of motions for papers under certain reservations. The hon. member referred also to a motion which had been proposed on Wednesday last by the hon. member for Burnaby-Coquitlam and which was accepted by the Minister without Portfolio subject to certain reservations, but which was recorded in *Votes and Proceedings* as adopted by the house without conditions or reservations attached thereto.

The hon. member for Winnipeg North Centre also drew attention to three other motions which also were adopted on Wednesday last under certain reservations, but which also were not so recorded in *Votes and Proceedings* for that day. There is, I suggest, a notable distinction to be made between the question under review and the other precedents referred to.

1. In the four cases referred to the member proposing the motion accepted the reservation expressed in each case by a minister.

2. I think this is the significant point, that the house concurred in the arrangement or agreement without dissenting voice.

3. In effect one must presume that arrangements were made, by unanimous consent, in all four cases.

4. In these procedures there was no division of opinion in the house and, consequently, no division of opinion should or could have been recorded in *Votes and Proceedings*.

Let us now return to the proceedings under review, and I must say at this stage that so far as I have been able to determine in the time at my disposal, we had a unprecedented procedure on Wednesday. In this case we had a division of opinion. The

procedure was challenged and put to a vote. May I briefly review the procedure followed on that occasion.

1. When the motion standing in the name of the hon. member for Winnipeg North Centre was called, the Secretary of State for External Affairs intervened and expressed the government's reservations with regard to the production of certain papers.

2. After a number of interventions by several hon. members the proposer of the motion, the hon. gentleman from Winnipeg North Centre, concluded as reported at page 689 of *Hansard* by saying:

> I understood that the minister was prepared to let the motion pass subject to his reservation. Those are the words the minister used, and I am prepared to accept the reservations he has now made. Obviously if the return that is brought down is not satisfactory I can ask further questions, but it seems to me that as the mover of the motion I have the right to suggest that I am prepared to accept the passing of it subject to the reservations the minister has now made.

3. Thereupon the Chair put the motion in the following words:

> Is it the pleasure of the house to adopt the said motion subject to the reservations or remarks of the minister?

Hansard reports what immediately followed, as follows:

> Some hon. Members: No.
>
> Mr. Diefenbaker: Not expurgated editions. Produce the record and that is fine.
>
> Mr. Speaker: All those in favour of the motion 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 yeas have it.

And more than five members having risen, a vote was taken.

4. After hon. members were called in, *Hansard* records the procedure as follows:

> Mr. Speaker: Order. The question is as follows. Mr. Knowles, seconded by Mr. Douglas, moves:
>
> That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of any documents, communications, correspondence or other papers, dated since June 10, 1957, containing any commitments by the Government of Canada to accept or acquire nuclear weapons for Canadian forces.
>
> —subject to the reservations of the Secretary of State for External Affairs. Those in favour of the motion, please rise.
>
> Mr. Diefenbaker: Mr. Speaker, if I might rise, I suggest that the reservations be included in the motion. It is very important those reservations be there because we are asking for the complete record not the expurgated record.
>
> Mr. Speaker: The suggestion of the Leader of the Opposition is interesting, but I do think the record speaks for itself and I think the minister should take his own responsibilities and not the Speaker.
>
> [Mr. Speaker.]
>
> Therefore unless there is serious objection I propose to put the motion as I have read it. Those in favour of the motion will please rise.

To decide whether there is before the house a bona fide point of privilege, and this is the only question which is before me at this time, we must ask ourselves if the entry in *Votes and Proceedings* reflects the proceeding which took place in the house at that time. The entry at page 73 of *Votes and Proceedings* for Wednesday, June 5, 1963 reads in part as follows:

> And the question being put, the said motion, subject to the reservations expressed by the honourable the Secretary of State for External Affairs, was agreed to on the following division:

I submit after a careful scrutiny of the record, as reported in *Hansard*, it is my humble opinion that the entry in *Votes and Proceedings* accurately reflects the procedure on the motion proposed by the hon. member for Winnipeg North Centre. That being so, I am regretfully unable to accept the submission of the hon. member for Peace River (Mr. Baldwin) as a bona fide question of privilege.

In terminating my remarks may I offer a suggestion to hon. members of this house. As several hon. members pointed out during yesterday's discussion, it has been a practice for some years past not to record in *Votes and Proceedings* any reservations expressed by ministers in regard to such motions. However, in the light of the altered circumstances that developed on Wednesday and again yesterday, the house may now be of the opinion that reservations by ministers should be recorded in *Votes and Proceedings* in every case. It may be that the proposed committee on procedure would like to review the question and recommend a course of procedure for the consideration of the house.

MR. PRITTIE—INFORMATION GIVEN TO PRESS BEFORE BEING GIVEN TO MEMBERS

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, on a question of privilege, on Tuesday of this week the hon. member for Comox-Alberni (Mr. Barnett) asked this question of the Minister of Fisheries as reported at page 625 of *Hansard*:

> Mr. Speaker, would the minister be kind enough to complete the record by giving us the names of the members of the advisory commission?

This referred to the advisory commission to the Canadian fisheries delegation going to Washington. On Wednesday last, as reported at page 693 of *Hansard*, I reminded the minister that he had said he would give the names and asked if he was ready to do so. The minister replied:

Mr. Speaker, I do not have with me the information concerning the six members of the advisory committee, but I will have it on Friday when I get back from Washington.

Apparently a member of the press gallery, Mr. Murphy of radio station CKNW, New Westminster, obtained this information from the minister's office yesterday and broadcast it in the lower mainland of British Columbia. I should like to know the explanation for this, since this information has not yet been given to the house.

Hon. H. J. Robichaud (Minister of Fisheries): Mr. Speaker, there is certainly no question of privilege in the matter that has been raised by the hon. member. I stated on Wednesday, when I was asked to supply the names of the members of the advisory committee to the north Pacific fisheries commission, that I did not at the time have the information with me in the house and that if the hon. member was interested I would give him the names on Friday.

There is no breach of privilege. The names were available. They had been made public in Vancouver, when the meeting was held last week, by representatives of the department with members of the north Pacific fisheries commission.

MR. CHURCHILL—OMISSION FROM "VOTES AND PROCEEDINGS" OF YESTERDAY

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I have to raise a small, non-controversial but important point of order dealing with an omission from *Votes and Proceedings* for today. Yesterday, dealing with private members' bills, *Hansard* records on page 749 the following words with regard to Bill No. C-5:

Mr. Deputy Speaker: Shall the bill be read a second time?

Some hon. Members: On division.

Votes and Proceedings for Thursday June 6 on page 78 has the following record:

After debate thereon, the question being put on the said motion, it was agreed to.

I submit that the words "on division" should be recorded in that sentence just as was done when we were dealing with the address following the speech from the throne, of which it was reported on page 52, the fourth paragraph from the bottom:

And the question being put on the said motion, it was agreed to, on division.

Mr. Speaker: I am advised that what the hon. member has said is correct. The omission will be corrected in today's *Votes and Proceedings*.

Inquiries of the Ministry

ROYAL CANADIAN AIR FORCE

INVITATION TO HON. MEMBERS TO ATTEND AIR FORCE DAY

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, a number of hon. gentlemen have inquired about air force day, which is being held on Saturday. May I say that a number of special invitations will be available in my office this afternoon for hon. members who would like to go to the display.

[*Later:*]

On the orders of the day:

Mr. J. E. Pascoe (Moose Jaw-Lake Centre): Mr. Speaker, I wish to address what I consider a very agreeable and timely question to the Minister of National Defence arising out of a statement he made this morning. Has the minister been informed of the flight of Harvard training planes from the R.C.A.F. station at Moose Jaw, Saskatchewan, to stage an exhibition of formation flying and aerobatics at Rockcliffe for national air force day tomorrow, and will he be able to attend the air show personally to see a demonstration of the fine training at the Moose Jaw R.C.A.F. station which is soon to be changed to pilot training in CF-41 jets as a result of a decision by the previous government?

Hon. Lucien Cardin (Associate Minister of National Defence): Mr. Speaker, I want to thank the hon. member for having given us notice of his intention to ask this question. However, I have serious doubts as to whether it is appropriate and advisable to ask this type of question on orders of the day. I can say we are aware that 11 Harvard training aircraft will be participating in the air display at Rockcliffe this Sunday.

As hon. members know, these aircraft are being phased out of service after 20 years of training operations, and are being replaced by Tutor jet trainers. Consequently this will be the last opportunity for the general public to see these aircraft flying in formation. They have come, as the hon. gentleman has pointed out, from the R.C.A.F. training station at Moose Jaw, which is the closest training station to Ottawa, and I have no hesitation in endorsing the view of the hon. member as to the high calibre of the men who fly these aircraft and the excellent training given to them in Moose Jaw.

DEFENCE PRODUCTION

REPORT ON MEETING WITH U.S. SECRETARY OF DEFENCE

Hon. C. M. Drury (Minister of Defence Production): Mr. Speaker, realizing the interest of hon. members of the house in the

continuation of our satisfactory relationship with the United States in matters of industrial production for defence purposes and co-operation therein, I should like to make a brief report on a meeting I had yesterday in Washington with the secretary of defence of the United States. Our meeting was held in a spirit of great cordiality and reaffirmed positively the intention of both our countries to continue to support a defence production sharing program. Assurances were given that the difficulties experienced by both countries in respect of balance of payments problems should not be allowed to interfere with the continuation and enlargement of this program.

It was recognized that both countries have balance of payments problems. However, it was agreed that such problems must not interfere with our joint production sharing objectives. The maintenance of a general balance in our reciprocal cross-border procurement of equipment seems the best answer to concern at the drain on foreign exchange reserves through such procurement. To this end it was agreed that production sharing will not be limited by the so-called balance of payments directives issued by the secretary of defence of the United States, and that full consideration will be given to all qualified Canadian sources.

The house will appreciate that the trend of increasing costs and complexity for military equipment emphasizes the necessity for joint research, development and production in line with the agreed NATO concept of interdependence for our common defence.

For the future, as in the past, Canada expects to procure from United States defence industry those items which it does not make economic sense to try to produce in Canada. In return we look to continuing opportunities for Canadian industry to supply United States defence requirements where Canadian companies can compete on the basis of price, quality and delivery.

(Translation):

[*Later:*]

VALUE OF U.S. ORDERS PLACED IN CANADA

On the orders of the day:

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I should like to ask the Minister of Defence Production a question prompted by the statement he has just made.

Following the discussions he had in Washington with defence secretary, Mr. McNamara, could the minister tell the house whether he expects that defence orders placed by the United States in Canada will exceed the record amount of $250 million reached last year?

(Text):

Hon. C. M. Drury (Minister of Defence Production): Mr. Speaker, I think an assumption has been made in the question asked, namely that last year there were expenditures in an unprecedented amount exceeding $250 million. Substantial orders were placed by the United States in Canada last year, but the expenditures resulting from those orders will be spread over some number of years. I would agree that last year was the largest in quantum of orders placed by the United States in Canada under the defence sharing program. I would, however, hope that in future years this sum would be exceeded.

(Translation):

[*Later:*]

REPORTED CANCELLATION OF TENDER CALLS

On the orders of the day:

Mr. Georges Valade (St. Mary): Mr. Speaker, I should like to direct a question to the Minister of Defence Production.

Can the minister inform the house whether he cancelled the calls for public tenders that were in circulation in his department at the time he officially took over that department? This is very urgent.

(Text):

I asked a question. Does the minister not intend to say whether he refuses to answer or whether he will answer?

Mr. Pickersgill: Mr. Speaker, the hon. member is an old and experienced member of the house. He knows quite well that the question did not come within the category of urgency recognized on the orders of the day. It was really a speech.

Mr. Valade: Can I put a question?

Mr. Martineau: I do not think it is up to the Secretary of State to rule on the urgency or legality of a question. That is for Your Honour. Your Honour allowed the question and when a question is allowed, the minister must give an answer.

Some hon. Members: Oh, oh.

Mr. Chevrier: You have been out of the house for a long time.

Mr. Speaker: The hon. member will realize that I cannot rule on a question until I have heard it. Perhaps I may refer to the fourth edition of Beauchesne, paragraph 181, where it is stated:

> 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.

Mr. Martineau: Mr. Speaker—

Mr. Speaker: I am sorry. There is no purpose in continuing this debate.

Mr. Valade: On a question of privilege, with respect, Your Honour, I think that if Beauchesne is interpreted rightly it is provided that the minister should say he refuses to reply; he should not let the question go without saying he refuses to answer.

Mr. Speaker: There is no question of privilege. The fact that the minister did not rise to his feet is sufficient refusal to answer.

TRADE

JAPAN—TABLING OF VOLUNTARY QUOTAS ON EXPORTS

Hon. Walter L. Gordon (Minister of Finance): With the permission of the house I should like to table copies of a letter dated June 7 which I have received from the ambassador of Japan informing me of the voluntary restraints which the Japanese government have decided to apply on exports of certain products to Canada in 1963. These decisions have been taken by the Japanese government following consultations which began in the fall of 1962 between the Japanese and the Canadian governments.

The levels of restraint which Japan will maintain in 1963 provide generally for orderly increases over the 1962 levels. These are in the order of between 3 to 5 per cent with one or two exceptions, which in all cases is less than the expected increase in the market for the product in question.

If I am correct in assuming that the house would wish to have the ambassador's letter printed as an appendix to *Hansard,* I should like to table it. I wish to say at the same time that the whole question of low cost imports is now under review.

Mr. Speaker: Does the house give permission to the Minister of Finance to have the letter referred to printed?

Some hon. Members: Agreed.

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

Hon. George C. Nowlan (Digby-Annapolis-Kings): I am sure the house has listened with attention to the statement just made by the minister. As the hon. gentleman noted, these negotiations were instituted some considerable time ago. I am quite conversant with them, and I am glad to know that they now appear to have been brought to a fruitful conclusion.

I am sure the house would like to have the letter on record in *Hansard,* because we would then be able to study the figures which, the minister says, range within a reasonable level. I noticed that the hon. gentleman placed particular emphasis on the phrase "voluntary restraint". I can remember times when the emphasis he put on the word "voluntary" was somewhat different from the interpretation he put on it today. However, I am glad to see that like Saul of Tarsus he has now been converted.

RAILWAY ACT

FIVE YEAR MORATORIUM ON APPLICATIONS FOR ABANDONMENT

Mr. R. R. Southam (Moose Mountain) moved for leave to introduce Bill No. C-70, to amend the Railway Act (abandonment moratorium).

Some hon. Members: Explain.

Mr. Southam: Mr. Speaker, the magnitude of the problem of railway abandonment is becoming apparent from the large mass of applications being directed to the board of transport commissioners based on recommendations of the McPherson royal commission on transportation. These abandonments are estimated to affect between 4,300 and 8,600 miles of branch lines. About 4,000 to 5,000 miles of this total is in the three prairie provinces, and 2,000 miles is in Saskatchewan.

The purpose of this bill is to declare a moratorium of five years on all applications respecting rail abandonment accepted and granted by the board of transport commissioners so that private persons, rural and urban municipalities, primary producers, industries, businesses, elevator companies, wheat pools, labour organizations, the motor transport and pipe line industries and all others which may be adversely affected may plan well in advance before the abandonment actually takes place, in this way alleviating as far as possible the social and economic upheaval that may occur in many communities, especially those in rural areas. I hope this bill will receive widespread support from all parties in the house.

Motion agreed to and bill read the first time.

INDIAN AFFAIRS

CONSOLIDATION OF ACT AND PROVISION FOR REVIEW BY MINISTER OF JUSTICE

Mr. Frank Howard (Skeena) moved for leave to introduce Bill No. C-71, respecting Indians.

Mr. Speaker: At this time I should like to make the following remark. May I be permitted to say that this bill is voluminous, and I have had no opportunity to take a

casual look at its contents. I will have an opportunity, of course, to study its provisions before second reading is considered, at which time I will be in a position to express my view with regard to any possible irregularities affecting the said bill. Is it the pleasure of the house that the hon. member shall have leave to introduce the said bill?

Some hon. Members: Explain.

Mr. Howard: Mr. Speaker, perhaps I could do no better in explaining the bill than to use the same words that I used last fall when I introduced this particular measure. I said then, and I say again, that this bill has the purpose of consolidating the Indian Act and its various amendments into one statute so that it will be more compact and more easily readable by those interested in these matters. An ancillary effect upon its introduction and first reading will be that the Minister of Justice will be required by the bill of rights to review this particular bill to see whether it is inconsistent with the bill of rights and to report any such inconsistencies to the house, in which event such amendments as are necessary can be made in the committee stage.

Motion agreed to and bill read the first time.

FISHERIES

NORTH PACIFIC TREATY—REPORTED JAPANESE DEMAND FOR ABOLITION OF RESTRICTIONS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Minister of Fisheries and ask him whether, at the meeting at Washington yesterday, the Japanese authorities demanded that the north Pacific fisheries convention be scrapped entirely. In other words, they demanded the complete abolition of voluntary restrictions on Japanese fishing for salmon and herring in the north Pacific. If this is so, what was his reaction thereto and what was the interim determination arrived at in consequence of deliberations?

Hon. H. J. Robichaud (Minister of Fisheries): Mr. Speaker, in reply to the Leader of the Opposition I wish to advise the house that the Japanese delegates, at the meeting which was initiated yesterday in Washington to discuss the north Pacific treaty convention, are just as anxious as Canada to retain the north Pacific treaty. I expect to make a full statement on this matter Monday.

Mr. Diefenbaker: Mr. Speaker, I ask the minister whether it is a fact, as reported in the press, that he stated that the Japanese attitude was very stiff.

[Mr. Speaker.]

Mr. Robichaud: Yes, Mr. Speaker, the Japanese attitude is very stiff and so will be the attitude of the Canadian delegates in order to protect the fisheries of Canada in the north Pacific.

Mr. Barry Mather (New Westminster): A supplementary question, Mr. Speaker. In view of the extreme stand taken in Washington by the Japanese relating to fishing in the Pacific area, will consideration be given by the Department of Fisheries to recalling our delegation from Washington until such time as the whole policy on a matter affecting our rights in Pacific waters can be considered by the standing committee of this house on marine and fisheries?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, the hon. gentleman gave me notice of his intention to ask this question, and although he has addressed it now to the Minister of Fisheries perhaps he will permit me to say that it is not the intention of the government to withdraw its delegation, which was so ably led by the Minister of Fisheries.

[*Later:*]

Mr. Mather: Mr. Speaker, I have a question for the Minister of Fisheries. I wonder whether he would be good enough to do now what he suggested he would do earlier, that is, give the house the names of the Canadian members of the advisory committee to the north Pacific fisheries commission.

Mr. Robichaud: Mr. Speaker, the names of the delegates to the Washington conference were given on Wednesday last. However, following a question by the hon. member for Burnaby-Richmond I promised the house that I would give today the names of the persons nominated to the advisory committee to the north Pacific fisheries commission. They are as follows: Francis Millerd of the fisheries association of British Columbia; Homer Stevens of the united fishermen and allied workers union; R. H. Stanton of the Pacific trawlers association; Carl Giske of the Prince Rupert fishermen co-operative association; Charles Clarke of the fishing vessels owners' association of British Columbia, and Guy Williams of the native brotherhood of British Columbia.

I think the hon. member will now understand why I could not give all those names on Wednesday; I did not have the list in front of me at the time.

While I am on my feet, Mr. Speaker, may I reply to a question which was asked yesterday by the hon. member for New Westminster which was taken as notice by the

Secretary of State for External Affairs. The question reads as follows:

In view of the preliminary nature of the fishing treaty talks getting under way in Washington, would the government indicate that no official or formal announcements relative to a firm agreement will be issued by the Canadian delegation before this house, or the standing committee on marine and fisheries, is first informed of the matters concerned?

I dealt with this matter in reply to a question addressed to me by the hon. member for Vancouver-Burrard, which is reported at page 624 of *Hansard*. I may add at this time that the delegates of the three nations attending the conference have a press release committee of their own, and certain announcements concerning the proceedings of the meeting may be made from day to day. But as to any acceptance commitment or decision by this government respecting any change in the present treaty, this matter would be referred to the house and the standing committee on marine and fisheries before any such decision or acceptance is made.

[*Later:*]

Mr. G. L. Chatterton (Esquimalt-Saanich): I wish to direct a question to the Minister of Fisheries. Can the hon. gentleman say why one member of the advisory committee he mentioned this morning attended the Washington talks while the other five were not allowed to go?

Mr. Robichaud: It was not the intention of the government to invite every member of the committee and pay their expenses to the Washington conference. It was decided that two delegates would be selected from any of these associations, or representing any group of fishermen. They would go to Washington, not as representatives of such groups but as participating, active fishermen.

POWER

COLUMBIA RIVER—REQUEST FOR DETAILS OF DRAFT AGREEMENT

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Secretary of State for External Affairs. In view of the minister's cool, coy and cochleate answers to questions relating to the discussions between the representatives of the government of Canada and the government of British Columbia on the Columbia river treaty, and in view of an article in today's *Gazette* entitled "Columbia Pact Plan Changed" under the by-line of Arthur Blakely, a highly respected and most reliable member of the fourth estate, reported to have had a long and close association with the present establishment, is the minister now in a position to give the house more detailed information with respect to the terms of the draft agreement mentioned in the press?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, even the direct and indirect compliments of the hon. member addressed to me are not going to induce me to alter what I am sure the hon. gentleman knows should be the nature of my reply. This matter is under consideration by the government and I could not be expected to comment on a speculative story, no matter how authoritative that story may seem in the opinion of the hon. gentleman.

Mr. Baldwin: Not even with reservations?

Mr. G. L. Chatterton (Esquimalt-Saanich): I should like to ask a supplementary question. Can the minister say whether the negotiations with the United States government on the price they are to pay are being carried on by appointees of the federal government or by appointees of the provincial government?

Mr. Martin (Essex East): Mr. Speaker, these are matters involved in the negotiations; I can add nothing to what I have already said to the hon. member who asked me the first question.

(Translation):

PUBLIC SERVICE

GLASSCO COMMISSION—IMPLEMENTATION OF THERRIEN REPORT

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to put a question to the Prime Minister.

Since the royal inquiry on biculturalism will extend over several years and its recommendations will not bind the government, does the Prime Minister intend to give effect during the present session to the recomendations contained in the minority report of Mr. Therrien?

(Text):

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, this question has been asked before and my reply is the same as the one I gave previously.

TRADE

RED CHINA—REQUEST FOR REPORT ON NEGOTIATIONS

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I should like to address a question to the Minister of Trade and Commerce. Could he give us an interim or progress

report on the negotiations in which the Canadian wheat board delegation is engaged in Hong Kong, in view of the report that "China gets tough in wheat deals"?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, our delegation arrived on Monday, as I reported to the house. So far as I know discussions are proceeding. We expect that we shall have to bargain hard in these negotiations, and what the outcome will be I am not certain; but I can assure hon. members that we shall be doing everything possible to maintain and increase our sales of wheat to China. I have no direct report yet on the results of the negotiations.

[*Later:*]

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): Mr. Speaker, I would like to direct a question to the Minister of Trade and Commerce. Indications in the west this year are that there will be a substantial increase in rapeseed acreages. Since there is a potential market in China for this grain, would the minister take this matter into consideration and see that the commission makes some arrangements to sell this grain to China?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, that is one of the purposes of the mission that is in Hong Kong and, like the hon. member, I hope it succeeds.

[*Later:*]

Mr. K. H. More (Regina City): My question is really supplementary to the one put by the hon. member for Humboldt-Melfort-Tisdale. Can the Minister of Trade and Commerce tell the house if the continuing absence of our western Minister of Agriculture indicates that he is on the mission to Hong Kong to look after the sale of our grain?

EXTERNAL AFFAIRS

APPLICATION OF 12 MILE LIMIT TO FOREIGN COUNTRIES

On the orders of the day:

Mr. Lloyd R. Crouse (Queens-Lunenburg): Mr. Speaker, I should like to direct a question to the Minister of Fisheries. In view of the announcement over the radio that the minister stated yesterday in Washington that United States fishing rights will not be affected by the 12 mile limit, will he now tell the house what this implies and give us the names of the nations to which the 12 mile limit will be applicable?

Hon. H. J. Robichaud (Minister of Fisheries): Mr. Speaker, in reply to the hon. member I wish to advise that the details with regard to the nations affected by the application of the 12 mile limit will be worked out when negotiations take place on this matter with the nations concerned.

Mr. Crouse: A supplementary question. Will the minister tell the house whether Canadian fishing trawlers will still maintain a 12 mile limit as a conservation measure while United States trawlers are fishing up to three miles off our coast?

Mr. Robichaud: In reply to the hon. member I wish to advise him and the house that this matter is at present under consideration. We are consulting the provinces concerned because we are working on a joint fishery extension program and very soon an announcement will be made regarding the application of the present regulations.

Hon. J. A. MacLean (Queens): Mr. Speaker, I should like to address a question to the Prime Minister in connection with the statement he made on Tuesday with regard to the law of the sea. Will the Prime Minister say whether it is the intention of the government to assert that certain bodies of water, chiefly the strait of Belle Isle, the gulf of St. Lawrence, the bay of Fundy, Dixon entrance, Hecate strait and Queen Charlotte sound, are national waters and will be for the exclusive use of Canadian fishermen with the exception of any treaty rights that may be held by France and the United States?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the application of the 12 mile zone is now under consideration. It was stated by me the other day, and I am glad to repeat it, that in that application this government, as indicated by the previous government, will adopt the baseline theory as established from headline to headline—

An hon. Member: Headland to headland.

Mr. Pearson: Headland to headland—and the 12 mile zone will be measured from that base line. The effect of the application of that headland to headland theory will not be known until we have had a chance to go into it in detail and see how it applies to the bodies of water referred to by my hon. friend.

Mr. MacLean (Queens): A supplementary question, Mr. Speaker. Is the Prime Minister not aware that as far as large bodies of water which are not considered national waters by other nations are concerned, these nations have access to them under international law, the right of innocent passage? I think I am correct in saying that under the present state of affairs any extension of

territorial waters would not necessarily exclude such bodies of water if they are not declared to be national waters.

Mr. Pearson: Mr. Speaker, these matters are under consideration. The particular waters to which my hon. friend has referred were not considered as national waters by his government when they were in office. I hope that most of them will be considered as national waters by this government.

Mr. MacLean (Queens): Is the Prime Minister not aware that during the tenure of office of the last government Canada did assert jurisdiction—

Some hon. Members: Order.

Mr. MacLean (Queens): I started my question by asking if the Prime Minister is not aware. Is he not aware that Canada did assert its authority over the bay of Fundy in particular when Canadian fishing rights were impinged upon by certain foreign trawlers, namely those of Russia?

Mr. Pearson: I am aware that the previous government did not take national action to establish a 12 mile limit through the establishment of national waters on the base line to base line theory.

Some hon. Members: Oh, oh.

Mr. Nowlan: We had more intelligence.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Minister of Fisheries. Did he yesterday in a press conference in Washington tell the Americans that as far as their fishermen were concerned they would have nothing to worry about from the application of this 12 mile rule?

Mr. Robichaud: Mr. Speaker, in reply to the Leader of the Opposition I wish to advise the house that I stated in Washington yesterday that historic rights and treaties with the United States would be protected in so far as U.S. fishermen were concerned.

Mr. Diefenbaker: That is not an answer to the question.

Some hon. Members: Oh, oh.

Mr. Chevrier: Order.

Mr. Diefenbaker: So far as historic rights and the like are concerned, they are maintained. I am asking the minister if he said to the American fishermen, "You have nothing to fear by the application of the 12 mile limit".

Mr. Robichaud: In reply I wish to say that at no time have I said the American fishermen had nothing to fear.

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): May I ask a supplementary question related to the previous answers given by the minister. Can he tell this house whether the fishing rights enjoyed by United States fishermen in Hecate strait, Queen Charlotte sound and Dixon entrance are rights under a treaty with the United States?

Right Hon. L. B. Pearson (Prime Minister): I cannot answer that question categorically. The historic treaty fishing rights enjoyed by the United States will be protected under the new arrangements.

Mr. Speaker: May I point out to hon. members that this is the question period and questions should be direct, short and very timely. It seems to me that this is developing into a second class debate or perhaps a first class debate.

Mr. Pugh: Second class answers.

Mr. Speaker: It seems to me we have had considerable discussion on this matter, and I wonder if we could not proceed to other questions.

HOUSING

N.H.A.—REQUEST FOR LOWERING OF INTEREST RATE

On the orders of the day:

Hon. Michael Starr (Ontario): Since the Minister of National Revenue has so far been neglected I should like to direct my question to him as the minister responsible for Central Mortgage and Housing Corporation. In view of his continued advocacy for lower interest rates on mortgages, when is he planning to make an announcement of a reduction in the interest rates on home loans?

Hon. J. R. Garland (Minister of National Revenue): Mr. Speaker, I should like to thank the hon. member for his reference to being neglected. I am enjoying being neglected. I can tell him that the subject matter of his question is one that is under constant review, and naturally any decision is one for the government to announce at the appropriate time.

Mr. Frank Howard (Skeena): May I ask a supplementary question of the Minister of National Revenue. May I ask him to explain to the house the difference between the policy enunciated in the statement just made and that which was enunciated so often by his predecessor in office, the Conservative?

Mr. Speaker: That is not a legal question; it is a straight argument.

WORLD FAIR

REQUEST FOR STATEMENT ON ACTIVITIES OF MINISTER OF PUBLIC WORKS

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): This is a legal question, I am sure. I should like to ask the Minister of Public Works a question stemming from the critical nature of some of the national publicity that is now extant regarding the proposed world fair in Montreal. I should like to ask the minister if he will give us a detailed statement now or very soon on his actions in this matter.

Hon. J. P. Deschatelets (Minister of Public Works): I will make a statement some time next week, Mr. Speaker.

(Translation):

INQUIRY AS TO OFFICIAL APPROVAL OF SITE

On the orders of the day:

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I should like to ask the Minister of Public Works, as minister responsible for the Montreal world's fair, a question arising out of an article published this morning in *Le Devoir*.

Could the minister tell us whether St. Helen's island has now been officially recognized as the site for the fair?

Hon. J. P. Deschatelets (Minister of Public Works): I have already answered that question, Mr. Speaker, and I have nothing to add.

Mr. Martineau: Mr. Speaker, I should like to ask a supplementary question.

(Text):

Mr. Speaker: I do not like to refuse a supplementary question, but when a first question is out of order I do not believe a supplementary follows.

FINANCE

TAXATION COMMISSION—REQUEST FOR SITTINGS IN YUKON AND N.W.T.

On the orders of the day:

Mr. Gene Rheaume (Northwest Territories): My question is addressed to the right hon. Prime Minister. In view of the close relationship between taxation measures and the continued healthy development of the Canadian north, will the Prime Minister advise the house if he will bring to the attention of the Slater royal commission the importance of holding at least one sitting in each of the Yukon and Northwest Territories to facilitate and encourage the presentation of submissions by people who have chosen to live in that 55 per cent of Canada which lies north of the 60th parallel?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I believe the hon. member was referring to the royal commission on taxation of which Mr. Carter is chairman. I am sure the suggestion made by the hon. member is already very much in Mr. Carter's mind, but if not I will be glad to bring it to his attention.

BUSINESS OF THE HOUSE

REQUEST FOR APPOINTMENT OF STANDING COMMITTEES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Secretary of State in his capacity as house leader. Can he now say when it is the intention to establish the standing committees of this house?

Hon. J. W. Pickersgill (Secretary of State): Well, Mr. Speaker, as hon. members are aware there have been some discussions amongst representatives of the parties in the hope of reducing the size of some of these larger committees to make them more manageable and workable. Until this week, and in fact until Wednesday, I believe very good progress was being made. I understand that the suggestions were acceptable to the government and two of the three parties in the house. The latest information I have is that they are not acceptable to all parties. If that should prove to be the case, it seems to me the sooner we have the striking committee meet and determine what membership to recommend to the house, the better. But I do hope there might be some possibility yet of having accepted by all what I think is a very reasonable idea, and which I believe carries the support of the majority in the house.

Mr. Knowles: May I ask a supplementary question. Would the minister consider calling another meeting of the house leaders before the striking committee is called to see if a compromise agreement cannot be reached, in view of the fact that three of the four parties in the house had reached an understanding?

Mr. Pickersgill: I would be happy to consider doing that, particularly as I would hope to have a meeting for other purposes as well.

HOUSE OF COMMONS

DISPOSITION OF PORTRAITS OF FORMER PRIME MINISTERS

On the orders of the day:

Mr. Heath Macquarrie (Queens): I have a friendly question for a friendly minister, the Minister of Public Works. I note that the portraits of former prime ministers are still missing from the west foyer. Can he report whether he has any clues as to their disappearance, which I reported to him on May 23?

Hon. J. P. Deschatelets (Minister of Public Works): I believe the hon. member asked this question a week or two ago. These portraits are being repaired and cleaned, and they will be replaced at the same spot very soon. I might inquire and let the hon. member know as soon as possible.

ADMINISTRATION OF JUSTICE

QUEBEC—ALLEGED TREATMENT OF ARRESTED F.L.Q. SUSPECTS

On the orders of the day:

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker I have a question for the Minister of Justice which refers to the suspected F.L.Q. members now being held in Montreal. According to press reports they have been receiving brutal treatment from the police and are being detained without trial. I realize that the administration of justice belongs to the provinces, but could the minister not ask the authorities in Quebec to respect the law, namely habeas corpus and the bill of rights?

Hon. Lionel Chevrier (Minister of Justice): I understand from reading the press yesterday that counsel appearing on behalf of certain individuals seem to be satisfied that they are able to see their clients. It would appear to me, therefore, at this moment that there is nothing involved in so far as the federal government is concerned. In any event, should there be any application of the bill of rights, it is a matter for counsel themselves to determine rather than the Minister of Justice.

FORESTRY

REPORTED ESTABLISHMENT OF U.S.-CANADIAN LUMBER ADVISORY COMMITTEE

On the orders of the day:

Hon. H. J. Flemming (Victoria-Carleton): I should like to direct a question to the Minister of Forestry. Is the minister able to confirm the formation of a U.S.-Canadian lumber advisory committee, as reported by Senator

Wayne Morris in Washington and contained in a news item in the Montreal *Gazette* of yesterday morning? If so, can the minister say when the names of the Canadian personnel will be announced?

Hon. J. R. Nicholson (Minister of Forestry): I thank the hon. member for having given me notice of his question. I might say that no committee such as the one suggested in the newspaper article has been established. There have been discussions at the official level in Washington and also within the trade in Canada and the United States, but no formal proposals have yet been put forward. I might say, however, that we have been led to believe that the United States authorities will be initiating proposals at an early date and, as a consequence, no special action has been taken to establish a committee until the proposals have been received and considered.

FEDERAL AID IN PROTECTION AGAINST FIRE AND PESTS

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I would like to address a question to the Minister of Forestry. I regret not having given him direct notice of it but I did, in a conversation some two days ago, advise him I would ask this question.

Can the minister advise the house as to any special consideration now being given for aid to the provinces or the forest industry in the protection of the forest resources of Canada in general, and of British Columbia in particular, against the hazards of fire and pests?

Hon. J. R. Nicholson (Minister of Forestry): Mr. Speaker, I thank the hon. gentleman for having mentioned this matter to me, but I might say the question involves some detail. I will take it as notice and answer it on Monday.

ARTS, LETTERS AND SCIENCES

REQUEST FOR INCREASED GRANTS TO UNIVERSITIES

On the orders of the day:

Mr. Arnold Webster (Vancouver-Kingsway): Mr. Speaker, I have a question for the right hon. Prime Minister. In view of the urgent need of capital assistance to universities and colleges across Canada in order to meet the expected influx of students in the next few years, and in view of the representations made to the government last week by the Canadian universities foundation on this problem, which is described in their brief as a "national emergency," will the Prime Minister please indicate the attitude of his government on this vital subject?

Inquiries of the Ministry

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the attitude of the government is to do whatever is possible and within federal jurisdiction to help university education in Canada. Perhaps, this being a matter of fiscal policy, my hon. friend should wait until next Thursday.

PUBLIC WORKS

USE OF SASKATCHEWAN CLAY BRICKS IN FEDERAL BUILDINGS

On the orders of the day:

Mr. Lawrence Watson (Assiniboia): Mr. Speaker, I would like to direct a question to the Minister of Public Works. Has the minister received a letter from the city of Weyburn, Saskatchewan, with regard to why bricks made by Saskatchewan Clay Products of Estevan are not specified as acceptable for use in federal building construction? If so, will the minister inform the house why these bricks are not acceptable?

Mr. Speaker: Order. I want to be generous this morning, particularly to the hon. member as I believe this is his first question, but it is the type of question which should be placed on the order paper.

(Translation):

MONTREAL—PRESENCE OF MINISTER AT OPENING OF TENDERS

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I wish to put a question to the Minister of Public Works.

After the opening of tenders in Montreal by the minister in respect to repairs to be made at the St. Vincent de Paul penitentiary, is it true that the minister contacted directly the firm Argo Construction to tell them the news?

Hon. J. P. Deschatelets (Minister of Public Works): No, Mr. Speaker. I am very pleased to answer that question. It is not correct, but my deputy minister contacted that corporation immediately after the opening of tenders because of the urgency of the work. We wanted to know if the firm was ready to start immediately.

Mr. Pigeon: A supplementary question, Mr. Speaker. Was the minister present at the opening of tenders in Montreal? If so—

[Mr. Webster.]

Mr. Deschatelets: Mr. Speaker, I was present at the opening of tenders in the public works department offices in Montreal. I must say that it was the last thing I did in answer to the Minister of Justice's request urging us to proceed forthwith with urgent repairs and construction work at St. Vincent de Paul penitentiary, for the efficient administration of the institution and the protection of the guards. I wanted to be present from beginning to end in order that all would be done properly.

Mr. Pigeon: I should like to direct a last supplementary question to the minister, Mr. Speaker—

(Text):

Mr. Speaker: Order. I do think the hon. member has posed his question not once but twice.

GRAIN

WHEAT—INQUIRY AS TO QUOTAS

On the orders of the day:

Mr. George Muir (Lisgar): Mr. Speaker, I should like to address a question to the Minister of Trade and Commerce. In view of his recent statement that an open quota on wheat would not be reached this crop year, could he inform the house how large a quota can be expected, and will it be equalized across western Canada?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, I will take that question as notice.

SUGAR

INFLUENCE OF PRICE INCREASES ON COST OF LIVING INDEX

On the orders of the day:

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, while I am on my feet I should like to reply to two other questions. On May 30 the hon. member for Okanagan Boundary asked me a question about the effect of the price of sugar on the cost of living index. Retail prices of sugar have been rising since July, 1962. The price increase from July, 1962 to April, 1963, the latest month for which the consumer price index has been published, was 50 per cent.

The relative importance of sugar in the index is 0.4 per cent. Therefore the direct effect of the rise in sugar prices to April of this year was to increase the consumer price index by 0.2 per cent. Further increases since April have raised the current retail prices of sugar to a level about double that of July last year. The effect of such a 100 per cent increase would be to raise the consumer price

index by about 0.4 per cent since July last year. I am not in a position to estimate the indirect effects of the rise in the price of sugar.

INDUSTRY

TRENTON, N.S.—PROTECTION OF COMPANY MANUFACTURING RAILWAY AXLES

On the orders of the day:

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, yesterday the hon. member for Pictou asked me about reports of imports of railway axles for rolling stock and the effect of this on employment in the Forge Axle plant at Trenton. It appears that the report concerning imports is substantially correct, but I understand it is the policy of the two major railway companies to obtain all or a substantial part of their axle requirements from the plant at Trenton, and these purchases from Britain do not represent any change of policy.

[*Later:*]

On the orders of the day:

Mr. H. Russell MacEwan (Pictou): Mr. Speaker, may I refer briefly to the answer given by the Minister of Trade and Commerce to the question I asked him yesterday. I wonder whether the minister is now able to advise the house—or perhaps he will take this question as notice—of the names of the companies which are importing these railway axles and the number of axles which have been imported so far this year.

Mr. Speaker: Order. I think the hon. member should put that question on the order paper.

AIR TRANSPORT

CHARTER FLIGHTS WITHIN CANADA BY U.S. AIR LINES

On the orders of the day:

Mr. Reid Scott (Danforth): Mr. Speaker, I have a question which I would like to address to the Prime Minister, arising out of an article in yesterday's Toronto *Star* headed "Now we get tough on air lines." In view of public reports that the Prime Minister has been requested to have the government stop United States charter flights into Canada at the border, is the Prime Minister in a position to make a statement on this important subject, or can he tell the house his response to such a request?

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker, I am not in a position to make a statement at this time.

Inquiries of the Ministry

NORTHERN AFFAIRS

DAWSON CITY FESTIVAL—CLAIMS AGAINST FEDERAL GOVERNMENT

On the orders of the day:

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, I wish to address a question to the minister of northern affairs, and I have given him notice of it. In view of his earlier statements this week, has he any additional statement to make concerning the Dawson festival, and in particular any statement concerning claimants against the government?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, I do appreciate the fact that the hon. member warned me this question was coming. So far as the government of Canada is concerned, the cost of rebuilding and refurbishing the Palace Grand theatre and the old steamship *Keno* amounted to $464,000. The government made an outright grant of $50,000 to the Dawson city festival foundation and has guaranteed loans made to the foundation in the sum of $137,500 and interest. Including interest, the total government liability will amount to something of the order of $660,000.

As for the Dawson city festival foundation, I am informed that this private organization, incorporated under the Yukon Territory ordinances, is in a difficult financial situation. When the government of Canada pays its guarantees of $137,500 and interest later this year there will remain outstanding claims against the foundation of about $115,000. Trade accounts have claims of $28,000; the sum of $14,000 is outstanding on a private loan; the producers of "Foxy" claim $24,000, which is secured by an interest in the Broadway production of this show, and Canadian Theatre Exchange Limited, Mr. T. M. Patterson of Stratford, has unverified claims against the foundation amounting to about $48,000.

Because the previous administration had made no provision in the 1963-64 estimates to meet its guarantee to the foundation, the present government is faced with this commitment. We are actively studying the whole enterprise to see whether any steps can be taken which would convert this liability into an asset for Canada and the people of the Yukon Territory.

Mr. Pickersgill: No wonder we have a deficit.

CONSIDERATION OF PROPOSAL TO DIVIDE NORTHWEST TERRITORIES

On the orders of the day:

Mr. Gene Rheaume (Northwest Territories): Mr. Speaker, my question is addressed to the

Minister of Northern Affairs and National Resources. It is an urgent one regarding the government resolution on the order paper to divide the Northwest Territories into two separate territories.

In view of the far reaching implications of this measure to the people of the north, will the minister assure me, and through me the people of the north, that he and his colleagues will consider the establishment of a special house committee to examine this proposal, in consultation with the people of the north, who after all are the ones most affected by the measure?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, as the hon. member well knows, this matter has been discussed with the people of the Northwest Territories. I do not know how much more we could do at this time to gauge public opinion. Conferences were held, and action was taken by the council.

I think that with regard to any possible change in the present policy of presenting bills to the house I will have to take the question as notice and make a further study. I may be doing that in a few days.

NATIONAL DEFENCE

FORT CHURCHILL, MAN.—U.S. ROCKET TESTING PROJECT

On the orders of the day:

Mr. Robert Simpson (Churchill): Mr. Speaker, I should like to ask the Secretary of State for External Affairs whether he is now in a position to answer the question which I directed to him on June 3, as reported at page 580 of *Hansard*.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, this matter will be replied to by the Minister of National Defence next week.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, my question is addressed to the Minister of Transport, who has left the chamber, but I can put it on the record. It is a serious question, not a frivolous one, although the wording may make it seem that way.

Has the minister received any requests for advice or assistance from Mr. Donald Gordon, the president of the C.N.R., in face of the demands falling upon the C.N.R. from the Gregoire commission?

[Mr. Rheaume.]

ROYAL CANADIAN MOUNTED POLICE

REQUIREMENT THAT TELEPHONE COMPANY EMPLOYEES COMPLETE PERSONAL HISTORY FORMS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question either to the Prime Minister or to the Minister of Justice. It relates to a personal history form which was the subject of an answer by the Prime Minister to a question of mine on June 3, and also the subject of an answer by the former prime minister to a question of mine on October 15, 1962.

Will the government ascertain whether the Royal Canadian Mounted Police is requiring of the Bell Telephone Company and the various provincial telephone systems in this country that their employees complete this form in order that the R.C.M.P. files on these employees may be complete?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, I am not aware that this is the case but I will communicate with the commissioner to ascertain what is the position.

NATIONAL DEFENCE

APPOINTMENT OF SPECIAL COMMITTEE

The house resumed from Thursday, June 6, consideration of the motion of Mr. Pearson:

That a special committee be appointed to consider matters relating to defence and to report from time to time its observations and opinions thereon; that the committee have power to send for persons, papers and records and to examine witnesses; that it be empowered to adjourn from place to place; that standing order 67 be suspended in relation to the committee; and that the committee consist of 24 members to be designated by the house at a later date.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, we are debating a simple resolution to set up a defence committee. We are not, within the terms of that resolution, debating defence or foreign policy. I recall, Mr. Speaker as no doubt you and other members of the house recall, that in the past, when the previous government was in office, whenever resolutions to set up committees were before the house, every time we on the opposition side attempted to discuss anything which could have been considered as of substance, the hon. member who represented Eglinton in those days was on his feet in an instant to insist that the debate should be restricted to the exact terms of the resoluion to set up the committee. On this occasion very wide latitude has been allowed, and I am not complaining about that at all. The whole subject of defence has come under review by members of the opposition together with various aspects of foreign policy which have nothing whatever to do with the subject matter of this resolution.

It has been suggested by speakers opposite, including the Leader of the Opposition that somehow or other this government has been limiting or preventing the discussion in this house not only of decisions before they have been made by the government—which would not be the normal constitutional practice, anyway—but has been limiting and even preventing the discussion of defence policy generally. In this connection it is interesting to note that we are now on the seventh day of defence discussions in this session of parliament which has not yet lasted one month; that there has been a subamendment to the address in reply to the speech from the throne which dealt directly with this matter and on which a decision was reached with regard to one aspect of defence, namely the acceptance of nuclear arms, and that since then, during the discussion of this resolution, there has been ample opportunity for members to express their views on any aspect of defence.

This is the seventh day of the discussion of defence matters in this short session. It is also interesting to recall that in the previous years 1960-61, 1961-62 and 1962-63, there were only in the aggregate eight days in the House of Commons devoted to defence. Eight days in three years. We have had seven days in less than one month. I say deliberately that any charge—and such a charge has been made—that we are trying to limit discussion and push these matters under the rug cannot be sustained.

During these last three days, which are quite a contrast to the situation in the previous parliament, we have discussed various aspects of the defence policy of this country. In respect of the suggestion made that this government has somehow or other been limiting the right of members of the House of Commons to discuss such matters and the charge that we have been making decisions—and I will deal with this later—without parliament knowing about them, I would recall, Mr. Speaker, that some very important decisions were made by the previous government in this field of defence, not only without this parliament having a chance at the time to discuss them before the decisions were made, but in some cases parliament only learned of them months or even years after they were made.

In 1957 a decision was taken at the NATO council, participated in and supported by the Canadian delegation of that day, for NATO to take on a nuclear role in collective defence. That decision was made in December, 1957 by the NATO council, and it was referred to only many months later. I am thinking now of the hearings before the defence committee on June 17, 1960, when the minister of defence of that day said that the use of atomic weapons in the event of attack has been recognized by the NATO council. Parliament was not consulted about that. Parliament was not even informed of that before the decision was taken, or indeed immediately afterwards. He—that is, Mr. Pearkes—also said at the same hearing on July 7 that the possibility of having to use nuclear weapons has been part of accepted NATO policy, and Canada participated in that decision at that time.

Then in 1959 a decision was made, and it was a decision, from which this whole much debated question of commitments arises, taken by the government of the day, in consultation with its NATO allies in Paris, and before this parliament was informed, to convert the Royal Canadian Air Force interceptor air division into an air division which would be given the role of strike reconnaissance. That is when it all began, in 1959.

Later, when on the estimates of the department of defence there was an opportunity to discuss this question, this party, in opposition at the time, made its position perfectly clear in regard to that role. It will be recalled by any hon. member who was in the house at the time, or if he does not recall it he can read *Hansard*, that one of the criticisms of that role by us at that time was that it would impose on our air division a role which could only be discharged by the use of nuclear weapons, including—and this was the expression we used—"baby bombs". There was no denial at that time from the government of that day that this was indeed the new role to be undertaken by the Royal Canadian Air Force abroad with NATO.

Then at the end of 1962 there was a NATO council meeting in Athens, I think it was, when there was laid down what we later learned from the press—again there was no discussion of it in parliament at that time—what has been called since that time the "guide lines" for the use and control of nuclear weapons inside NATO. Those were important decisions, decisions which bear on what we now call the commitments undertaken by the previous government. Those decisions were made and were not discussed in this House of Commons either before or immediately after they were made. So, Mr. Speaker, that surely disposes of the argument, if you can call it an argument, that we are not permitting sufficient discussion of these matters in the House of Commons and that we have made decisions before we have referred them to the House of Commons.

So far as the attitude of the parties in the house is concerned toward the setting up of this defence committee, it is quite clear from the debate which is now being wound up that

the Social Credit and New Democratic parties approve of the establishment of a defence committee of this kind. The Conservative party, as far as one can gather, do not approve of it. Indeed, some members have definitely opposed it.

Mr. Diefenbaker: Mr. Speaker, I stated yesterday that we were supporting the setting up of this committee.

Mr. Winkler: Read *Hansard.*

Mr. Pearson: Well, Mr. Speaker, I am delighted to learn that the Leader of the Opposition now supports the setting up of a defence policy committee, something which, when he had the responsibility of government, he rejected as invalid, unconstitutional, improper, and quite contrary to all our parliamentary practices.

Mr. Diefenbaker: That is what the Prime Minister always said.

Mr. Pearson: I am delighted that the right hon. gentleman has now seen the light of opposition—

Mr. Diefenbaker: And the Prime Minister has seen the light of government.

Mr. Pearson: —and I am sure that he and his party will make a useful contribution to the committee which in turn I hope will make a useful contribution toward clarifying policies and questions of defence. I hope that for the membership of this committee there will be an opportunity, as I know there will be, to get the kind of information that is available in regard to defence matters. There will be a disposition, I am sure, on the part of the committee, as there will be on the part of the government, not to sweep anything under the rug. If this committee is to be effective it must have all the information which can be given to it.

The only reservation, a reservation we must make, though some hon. gentlemen opposite have quarrelled with it, particularly the hon. member for Oxford (Mr. Nesbitt) last evening, is that of national security and classified information which bears upon national security. I am quite sure that any hon. member of this house who has the interests of his country at heart would accept that kind of reservation, which is accepted in consideration given to defence matters by any free parliament.

Mr. Speaker, I hope it will be possible to put on this committee those members of the house who have had experience of, and shown interest in, defence matters. Certainly the hon. member for Calgary North (Mr. Harkness) will be able to make a most useful contribution, and I have no doubt that he will be nominated by his party.

Mr. Churchill: What type of experience in defence matters?

Mr. Pearson: Some worry was expressed by the hon. member for Winnipeg South Centre (Mr. Churchill) that perhaps we would not allow this committee to deal with policy; that we were somehow concealing the possibility of the committee dealing with policy matters. When I asked him, in order to clear this matter up, if he would move an amendment so as to make it clear beyond any possible shadow of doubt and include the words "including defence policy", he said that he would take that suggestion under advisement. No such amendment has been moved, and indeed no such amendment, Mr. Speaker, is necessary.

Mr. MacEwan: Then why move it?

Mr. Pearson: "Why move it" is a good question. It would never have occurred to anybody to move it if doubts had not been raised by the hon. member to whom I referred, who alleged that we said we would not permit the committee to deal with defence policy. Then when I challenged him to make that amendment if he had any doubts, he abdicated that position.

Mr. Lambert: You made the commitment.

Mr. Pearson: The leader of the Social Credit party made some interesting suggestions as to matters that could be submitted and I hope will be submitted to and discussed by the committee. He made the point, as have other members opposite, which is certainly valid, that if the discussion in this committee is going to be effective it must go beyond the limit of defence in the narrow military sense. That point was also made last night by one or two speakers on the other side and, of course, it is quite impossible to understand all the implications of defence policy and have a committee of this kind do the job we hope it will do unless the relationship is recognized between defence policy and foreign policy.

At times it is impossible to disentangle the two aspects of defence. The hon. member for Red Deer (Mr. Thompson) said that a committee of this kind should discuss the nature and magnitude of the threat to peace and security. That is an aspect of foreign policy as it is an aspect of defence policy, and I have no doubt the committee may wish to go into that. He suggested also, as have other members, that questions of specialization and standardization of defence equipment and defence matters within the alliance should be

considered. He also said, and this was reiterated last night by the hon. member for Oxford, that we should examine how foreign policy and trade policy, economic policy, economic relationships, bear on defence policy. This is a matter of very great importance, of course, and NATO itself recognizes that interrelationship.

The leader of the New Democratic party made the point that in a committee of this kind the consideration of defence must be broad in that defence is, to quote his words, "much broader than nuclear arms". This is something we are apt to forget in the immediate controversies over nuclear arms. After all, nuclear weapons and nuclear defence are only one aspect of military defence.

It is hoped, Mr. Speaker, notwithstanding the suspicions and doubts that have been thrown on this, that this committee will be able to operate on as non-partisan a basis as is possible in dealing with a matter which does arouse controversy, which does arouse differences and tends to arouse passion.

The Leader of the Opposition raised a good many points in his statement yesterday. Some of these points were raised by other members, and I propose to try to deal with them during the remainder of my remarks. Perhaps before I do that I should mention specifically one subject which has been referred to by more than one speaker and notably by the leader of the New Democratic party, when he talked about the danger of our Atlantic coalition relying too much on the strategic nuclear deterrent as the protection of the peace, because that is all it can be expected to do. If the strategic nuclear force is ever called into action it will have failed in its purpose, and nothing then will be able to save us from the devastation, tragedy and catastrophe which will follow no matter what may be the nuclear strength on our side of the conflict.

The danger of relying too much on the strategic nuclear deterrent is, of course, profoundly true. This is the very reason the North Atlantic Treaty Organization agreed in 1957 to build up its own tactical nuclear deterrent as a supplement to and a backing for that deterrent which can be supplied by conventional forces alone. In the face of overwhelming conventional strength on the other side of the iron curtain, and in the face of the inability of the NATO members at that time and their continuing inability to build up enough conventional divisions to give them the kind of security which they desired and to provide the kind of tactical conventional deterrent that would be useful, the alliance decided to build up a tactical nuclear deterrent to avoid the awful results of having to use the strategic deterrent as the reply to every attack that might be made against Europe or against the alliance.

If the only reply to an assault against western Europe, which might not be general in character and might not even be nuclear in character but which would be overwhelming against smaller armies defending against the attack, was to bring the United States and to a lesser extent the United Kingdom strategic nuclear deterrent into action, that would mean that every assault, however limited it might have been at the beginning, would become the first and last world nuclear war.

This is the justification for the north Atlantic alliance building up a tactical defensive nuclear deterrent. But I would go further than that, and I think the leader of the New Democratic party mentioned this too. It would be even better if NATO had a conventional shield, a conventional deterrent on which it could rely without having to use any kind of nuclear weapons in case of certain types of limited attack; a conventional deterrent, a conventional shield which would be strong enough to hold the line until it became clear whether an all-out assault was under way and the NATO council would have a chance to decide what kind of reply was then needed to meet this attack as it unfolded.

In other words the ideal strategy, of course, for NATO—and Canada takes part in the determination of this strategy—is a conventional shield, a tactical deterrent behind that conventional shield, and then only as a last resort—and it would be a resort which would be an admission of the tragedy of world nuclear war—reliance on the strategic nuclear deterrent which should be limited to those countries that now possess it, the United States of America and to a smaller extent the United Kingdom. That is why that at the recent NATO council meeting and indeed before then NATO has been and is now preoccupied in trying to establish a satisfactory balance between the nuclear and conventional capabilities of the alliance. That is why we in this government, as in other governments in NATO, are particularly concerned at this time when we have so much nuclear strategic power to build up the conventional strength of the alliance. The prime minister seemed to get very excited indeed yesterday—

Some hon. Members: Oh, oh.

Mr. Pearson: The ex-prime minister. He got very excited indeed over the reply I made to a question yesterday, and I am unable to determine the reason for his excitement. What I said, and I am glad to repeat it and put it on the record again, was that

our position—this is the position that was referred to in the NATO communique and agreed upon by all members of the NATO council—is to emphasize the importance of the conventional defences of NATO. There is nothing very surprising about that. It remains the policy of the government to emphasize the importance of the conventional defences of NATO. It is a policy which does not conflict in any way, as I hope to point out, with the carrying out of the obligations, undertakings, pledges, commitments which were made by the previous government. It will be very simple indeed to prove that these commitments were made, and I will come to that a little later. In a speech which I made in January at Scarborough and to which a good deal of attention has been given, because it has often been quoted, I had this to say:

> The government should re-examine at once the whole basis of Canadian defence policy. In particular, it should discuss with the United States and with NATO a role for Canada in continental and collective defence which would be more realistic and effective for Canada than the present one. This examination would be concerned, among other things, with the necessity of building up NATO's conventional forces and the part Canada could play in this. However, until the present role is changed—

And this is the role undertaken for Canada by the previous government and bequeathed to us, and it is a nuclear role with certain responsibilities.

> —a new Liberal government would put Canada's armed services in the position to discharge fully commitments undertaken for Canada by its predecessor. This would be the only honourable course for any government representing the Canadian people. We would not betray our trust, or weaken Canada's reputation for living up to its word.

The Leader of the Opposition, Mr. Speaker, saw fit to make certain statements about the work of the recent NATO council meeting which in my view completely misrepresented both the purposes and the results of that meeting. I am sorry, indeed, that a man who only recently was the head of this government would make some of the remarks he made about the NATO council meeting and about the decisions taken as he saw them at that meeting.

I am sorry also, Mr. Speaker, that he did not see fit to take advantage of the opportunity yesterday when he was speaking—and his remarks roamed far and wide but nobody complained about that—to apologize for the use in this house by one of his colleagues, and a member of the privy council, of a document which is forged; which insulted the United States ambassador to Canada, a document which was designed obviously to poison the relationships between our two countries. It was given additional circulation by the fact that it was produced and cited in this house by my hon. friend, a former minister of the crown. It was unfortunate the Leader of the Opposition could not have cleared up that matter at that time.

Now, Mr. Speaker, in order to support the position he took concerning the council meeting and the alleged Canadian position on defence as established at that meeting, the prime minister relied almost entirely on two sources.

Some hon. Members: Oh, oh.

Mr. Pearson: —I mean the ex-prime minister relied on two sources of information. The first one was the president of the exchequer court, Mr. Justice Thorson, and the other was the Toronto *Star*. These are two very unusual sources of information for my right hon. friend to rely upon, but they were the ones upon which he relied almost exclusively. He even went so far as to refer to Mr. Justice Thorson as being close to the Liberal party, and that therefore it was possible for this house to accept the statement made by Mr. Justice Thorson as representing the views of the Liberal party on defence matters. Nothing could be further removed from the views of this government than the views on defence matters contained in some of the statements made by Mr. Justice Thorson in the speech from which the right hon. gentleman quoted with such great approval and which he used as the basis for his case to such a large extent. I should like to point out that this gentleman had a right to say these things, although there has been some questioning of the propriety in view of the position he holds.

I should like to ask the right hon. gentleman whether he supports this statement in the speech that he quoted with such great approval:

> Certainly, the Canadian people did not give the Liberal government a clear mandate to acquire nuclear warheads for our Bomarcs, nuclear missiles for our Voodoo interceptors, nuclear warheads for our Honest John rockets and hydrogen bombs—

That is what they were called by the right hon. gentleman, hydrogen bombs. I will have something to say concerning that a little later.

> —for our Starfighters or to join the United States—

This is the part to which I take strong exception. I hope the right hon. gentleman does not support this.

> —or to join the United States in the madness of the nuclear arms race which it started—

The United States started.

> —soon after it dropped its atom bombs on Hiroshima and Nagasaki early in August of 1945 and killed approximately 150,000 defenceless Japanese civilians and injured as many more.

An hon. Member: It is true.

Mr. Pearson: Some hon. gentlemen opposite say that is true, the United States started the nuclear race. Nothing could be said that would give greater aid and comfort to those whom we consider to be the main threat to peace in the world than a statement of that kind. It is demonstrably false. I remember very well, because I was in Washington at the time and because I took part in the discussions and negotiations later at the United Nations, that the United States government of that day, which was the sole possessor of atomic power for military purposes—nobody else had it—was willing to give up that power and bring it under international control by an arrangement at the United Nations known as the Baruch plan. At the time the United States made this offer to give up this power, to bring it under international control, nobody else had it. This proposal was turned down by the communist bloc, by the Soviet union. I regret very much that a prominent Canadian would make a statement that the United States started the madness of the nuclear arms race. I regret very much indeed that hon. gentlemen opposite have supported that statement.

Since that time all governments that believe in peace and freedom, all governments, have been attempting to bring about an international agreement which would end this nuclear arms race. No government and no country has worked harder in that regard than Canada. I pay my tribute to what the previous government attempted to do in connection with this matter, especially through the work of the former secretary of state for external affairs. The necessity for this kind of international agreement would not have existed if the United States offer in 1945 had been accepted when the United States then had nuclear power. It is regrettable indeed that this kind of talk should be given circulation in Canada.

I want to come now to a question that the Leader of the Opposition dwelt upon at some length and with some vigour. What was the role undertaken by the previous Canadian government in the field of defence? What were the commitments? What were the undertakings? What were the pledges given to our allies as to what we would do in the alliance? It has been suggested by the hon. member for Winnipeg South Centre, and repeated by the Leader of the Opposition last night, that somehow or other at the NATO council meeting a few weeks ago our role was changed and we became a nuclear power by a decision made before that council meeting was held, a decision which was ratified at the council meeting. There is not a word of truth in any such suggestion, Mr. Speaker.

A great deal was said by the right hon. gentleman last night about the nuclear force that was set up at the NATO council meeting. He wanted to know whether Canada was taking part in this, and he also wanted to know whether Canada was going to take part in the other proposed multilateral nuclear force. I hope to satisfy his legitimate curiosity on these matters.

He also criticized us because he said we should never have taken a decision as a government, or indeed as a party before we became a government, in regard to these matters, because it was clear the NATO council meeting in Ottawa would make decisions that would affect Canada's role; and the reason his government held off taking any decision was that it knew the NATO council was going to meet here and it was waiting to see what would be decided at that meeting.

Of course it was perfectly clear to anybody who knew anything about how the NATO council operates—and my own views on this matter have been confirmed by what I have found out since taking office—that nothing would be discussed, let alone decided, at the council meeting here in Ottawa that would affect in any way the role of Canadian forces in NATO, the role undertaken for them by the previous government. To use the NATO council meeting as a smokescreen for the purpose of avoiding the necessity to make any decision, and especially to do this during an election campaign, was just nonsense.

This was just to help the right hon. gentleman avoid the issue. There was no basis of realism about it at all because, as we have learned from what happened at the NATO council meeting, the only things discussed there apart from the decision to re-examine the whole basis of NATO strategy—which will take a long time, and I hope will go hand in hand with our re-examining Canada's strategy in the committee we are talking about—apart from this and the exchange of views on foreign affairs which takes place at every council meeting, the only matters brought up were the possibility of collecting the nuclear forces which had been already committed to NATO—and the Canadian air division was considered as being included in those by all the people who took part in the council discussions, including the secretary general—under a separate NATO command rather than letting them remain under the existing SACEUR command. The question of whether any other forces should be assigned to the new NATO nuclear command if it were set up was also considered.

That has nothing to do with the role undertaken by the Canadian government back in

1959 for our air division, a role which was undertaken with the knowledge of our allies, a role which was undertaken by the cabinet of that day, a role which could not be carried out without the use of nuclear warheads for the weapons systems which were to be secured, a role which required our aircraft to carry nuclear ammunition, and which the government of the day knew required them to carry that ammunition.

Mr. Diefenbaker: May I ask the Prime Minister this: If there was such a commitment, why did he and those associated with him forever say we should not have entered into such an arrangement and should try to get out of it?

Mr. Pearson: Mr. Speaker, the right hon. gentleman is now contradicting himself.

Mr. Diefenbaker: No, I am not contradicting myself. The Prime Minister is contradicting himself.

Mr. Pearson: "If we entered into such a commitment why did the hon. gentleman and his friends not try to get out of it in time"? That is exactly what we tried to do, to advise the government before it was too late not to spend a billion dollars of the taxpayers' money on these weapons systems which were inactive without nuclear warheads.

Mr. Diefenbaker: Is the Prime Minister saying if there was a commitment he was a party to asking us to break that commitment?

Mr. Pearson: Indeed I was a party at the time to that when the commitment was under discussion; and before the equipment was secured I was a party to advising the government to negotiate themselves out of this role and get a better one for Canada. But they refused even to listen to our arguments.

Mr. Diefenbaker: Mr. Speaker, now—

Mr. Pearson: Of course the right hon. gentleman—

Mr. Diefenbaker: I hate to interrupt.

Some hon. Members: Sit down.

Mr. Diefenbaker: Now, as the right hon. gentleman is becoming so confidential, will he tell why he turned that somersault on January 12?

Mr. Pearson: I will be glad to do that. The right hon. gentleman spoke for about an hour and a quarter last night telling how I turned a somersault. The house is very well informed by him on this matter, but the right hon. gentleman now says there was no commitment, no undertaking, no pledge; I hope my hon. friend from Winnipeg North Centre, who says somebody must be deceiving somebody on this matter, will soon be satisfied.

The truth on this matter is very simple to find, and it was stated in very simple terms by the then minister of national defence, Mr. Pearkes, in 1960. If anybody wants to know about the undertakings made by the Canadian government, the pledges that were given, the commitments that were accepted and the role that was undertaken, they can read what was said by the minister of defence of that time and the minister of defence in the previous government who took his place. I propose to quote from both of them to prove that we were right and accurate in the statements we have made in regard to the undertakings, the pledges given and the commitments accepted by the previous government.

Let me quote first from the then minister of national defence on June 3, 1960, as he spoke during the committee hearings of that day, as recorded at page 230 of the defence expenditures committee proceedings:

At NATO's request—

Not at the request of the parliament of Canada.

At NATO's request the government has recently decided to re-equip the eight squadrons now armed with F-86 Sabre aircraft with an aircraft capable of carrying out a strike reconnaissance role. The aircraft selected for this is the CF-104 . . . This aircraft could be armed with a tactical nuclear weapon.

—a weapon referred to as a baby bomb.

Mr. Diefenbaker: Who referred to it as a baby bomb?

Mr. Pearson: It was referred to as a baby bomb, and the government accepted that reference.

Mr. Diefenbaker: Who referred to it as that?

Mr. Pearson: The hon. member for Trinity.

Mr. Diefenbaker: Oh, the baby minister.

Mr. Pearson: And my right hon. friend, four years later, last night called it a baby bomb. Later on during the committee proceedings Mr. Pearkes said this, talking about the new strike reconnaissance role and the aircraft for that role:

It is well known then that the CF-104 would have weapons which would have or could have a nuclear capability.

Mr. Hellyer then said:

The minister said it is well known. Can he state any evidence prior to his announcement of the matter that the CF-104 would be used in a bomb carrying role?

Mr. Pearkes replied:

You were well aware of it.

Mr. Speaker, even we were supposed to be well aware of it, but now the former government says it was not aware of it.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

Mr. Pearson: Mr. Speaker, at the luncheon recess I was dealing with the point made by the right hon. Leader of the Opposition yesterday that somehow, in some way, the Canadian government undertook at the recent NATO council meeting a new nuclear role for Canadian forces in NATO, particularly for the Canadian air division in Europe. He made some reference to that new role, which I will quote later. But I showed, from the evidence of the minister of national defence himself as far back as 1960, that this particular strike reconnaissance role was undertaken by the Canadian government of that day and that the Canadian forces were committed to that role. I showed from that evidence that this role could not be performed except by the acquisition of nuclear ammunition for the weapons systems which were to be acquired for it, and that this was understood by the government of the day and indeed by the allies with whom we worked in NATO, for whom, as well as for ourselves, this role was accepted. Indeed, at that time before the committee on July 11, 1960, the hon. member for Trinity (Mr. Hellyer) asked the minister of national defence:

> Will the Canadian government have a say as to whether atomic weapons carried by the CF-104 can be used or will this be a power and authority held in the control of others?

The then minister of national defence, Mr. Pearkes, said:

> They would be used if and when they are required.

Then he went on to say:

> Those details in connection with the use or storage of these weapons in Europe depend upon a note which has not yet been completed.

Indeed, it was not completed by the time the Conservative government went out of office, but there was no doubt in anybody's mind as to the role undertaken and the only way in which that role could be discharged. When the right hon. the Leader of the Opposition talks about some nuclear offensive or aggressive role having been undertaken by this government, for example, he must have known that the role to be performed by the R.C.A.F. air division in Europe is the same role that was undertaken for it by the previous government. Mr. Pearkes, his minister of national defence, described in detail at the time what that role was and what was involved in it. There is the undertaking, the pledge and the commitment.

I quote from page 502 of the report of the special committee on defence expenditures on July 11, 1960 when Mr. Pearkes, the minister, was asked what this role would be. He was asked the specific question by the hon. member for Vancouver East (Mr. Winch) and his reply was:

> To intercept enemy bombers; while the CF-104 is, as I have said, a strike reconnaissance aircraft, one which is to be used for reconnaissance purposes, and one which is to be used against ground targets. It is not an air defence weapon, with the idea of attacking enemy bombers, and it would not come into use until the enemy was actually on the move.

Nothing could state more clearly the role of the air division as it was undertaken at that time. That, again I repeat, was the commitment which was accepted. As reported at page 327 of this committee report Mr. Pearkes had something to say about this on June 22:

> I do not see how I can go any further than the statement made by the Prime Minister on January 18 when he said that eventually the Canadian forces will require certain nuclear weapons, if the Canadian forces are to be kept effective. This will be done by placing the nuclear warheads in the Bomarcs, into the aircraft missiles.

What could be clearer than that in regard to a commitment undertaken by the Canadian government:

> This will be done by placing the nuclear warheads in the Bomarcs, into the aircraft missiles. To be effective eventually the Canadian forces will have to be equipped with nuclear warheads.

To try to slip out of this undertaking, this commitment, by arguing that there was no formal treaty, no formal arrangement, nothing signed, is merely playing with words; playing with the word "commitment" if you like. If there ever was an undertaking by a Canadian government and accepted as such by our allies, who transferred this particular role to the Canadian forces—and if they had not taken it on, one of our allies would have had to take it on—this is it. But the fact is that the government, having taken on that role, refused to take on the means to discharge the role. To say now that it would have been possible in an emergency, in the awful emergency of war, to have followed through at that time and accepted the ammunition to go with the warheads, is an affront to anyone's intelligence. To say that the Canadian air division, having accepted a role which required a certain type of ammunition for its weapons systems, which ammunition could only be acquired after a political agreement made with the country, the United States, which manufactured the ammunition, and to say that this agreement could have been reached and the ammunition supplied after the emergency developed, after the war began, is childish in the extreme. Yet that is the position taken by hon. gentlemen opposite. It is not the position taken

by the two hon. gentlemen who were ministers of national defence in that government. Indeed, it is not the position taken by hon. gentlemen who left that government because they could not accept the defence policy of the right hon. Leader of the Opposition. If any ministers must have known what was going on and the extent of the obligations we undertook, surely it would be the ministers of national defence. I have already quoted what the minister of national defence, Mr. Pearkes, said in 1960. The minister of national defence who took his place, the hon. member for Calgary North (Mr. Harkness) was quite specific about this the other night when speaking in this house. I quote from page 643 of *Hansard*, where the hon. member had this to say:

At the present time, the Liberals have adopted this policy—

That is, the policy of the government when he was minister of national defence:

—in its entirety, so far as one can see. I believe that they should be honest and say that they have adopted the Conservative defence policies of the last five years instead of trying to pin their position to the narrow ground of merely living up to commitments made by the previous government.

But this is exactly the position which the Leader of the Opposition flatly refuses to accept. These may be the policies, in the mind of the then minister of national defence —and, indeed, they are the correct policies— but they are absolutely denied by his own leader and are contrary to the statements made by his leader. So we might well ask ourselves, where is the truth in this matter? The Minister of National Defence (Mr. Hellyer then asked the hon. member:

In his opinion—

That is, in the opinion of the hon. gentleman:

—was the previous government committed to the acquisition of nuclear warheads for use in some of the weapons systems it had acquired?

The hon. member for Calgary North answered:

Well, Mr. Speaker, I think that the acquisition of these four weapons systems indicated an intention on the part of the government to supply them the ammunition which would make them effective.

How can anyone believe that a government would spend nearly a billion dollars on weapons systems and then refuse to accept the ammunition which alone would make the weapons systems effective? The hon. member for Calgary North (Mr. Harkness), according to the Winnipeg *Free Press* of yesterday—and I quote from it—had an interview with the correspondent of that paper in Ottawa, dated Ottawa, June 6, and here is the report of that interview. This is from yesterday's Winnipeg *Free Press*, by Vic Mackie:

The Hon. Douglas Harkness, former minister of defence, told the *Free Press* today that "documents exist setting out Canada's obligations" to acquire nuclear weapons for Canadian forces.

And if anyone should know, the former minister should know—and the former minister will be given an opportunity, when he is a member of this committee, to bring forward all the information which he appropriately can in connection with this matter. The hon. gentleman went on to say in this interview—I shall continue to read the report:

"The obligations are there." He acknowledged that some people termed them "commitments" and added that it all depended upon how you interpreted the word "commitments".

He then went on to say:

"But there is no question in my mind that the documents do exist and can be produced. They contain certain obligations or commitments."

This is the former minister of national defence. They contain, he said, certain obligations or commitments—

Mr. Winch: May I ask the Prime Minister if he will produce those documents?

Mr. Pearson: If those documents contain classified information, and if their production will be prejudicial to the security of this country, they will be refused. If they are not, they will not be refused.

The former minister of defence went on to say:

Whether they should be produced is another question. He stressed, in an exclusive interview in his west block office, that the documents are "classified" and cannot be tabled in the house for security reasons.

Again, this is the former minister speaking.

I submit, Mr. Speaker, that this throws quite enough light, and from a source not on this side of the house but on the other side of the house, to enable us to see whether there was an obligation, or an undertaking, or a pledge in this respect. Surely it shows beyond possibility of doubt that the role which was undertaken in 1959-60 for the air division is the role which the division is being asked to perform at this time, in June, 1963; and for the Leader of the Opposition, basing his authority on a statement of a justice of the Exchequer Court of Canada, to give the impression that the NATO council is, somehow, imposing on the Canadian air division a new role, is deceitful nonsense.

Here is what the right hon. gentleman had to say about this new role, as he termed it, undertaken by Canadian forces. I quote from yesterday's *Hansard*. Having referred to Mr. Justice Thorson and quoted with approval from his speech, the right hon. gentleman went on to say:

Then, even before the NATO meetings, the Canadian government had capitulated to the extent that these tactical forces in Europe were being equipped with offensive weapons.

The right hon. gentleman made an accusation yesterday, in those words, that the Canadian air division in NATO is now being equipped with offensive weapons. Mr. Speaker, they are being equipped with the weapons secured for them by the right hon. gentleman.

Mr. Diefenbaker: Nothing of the kind.

Mr. Pearson: Then he went on to say this, as will be found quoted on page 751:

These are things we would like to know. Canada has become involved first of all in providing this tremendous power to NATO through our air force Starfighters, actually an aggressive nuclear force far and beyond what is contemplated by the expression "defensive weapons".

The former prime minister of this country has termed the course to which our air division is committed under NATO, a defensive alliance, as being an aggressive nuclear force.

Mr. Diefenbaker: Does the Prime Minister say that a million ton explosive bomb is a defensive instrument? It is nothing of the kind.

Mr. Pearson: If that force is used to defend us against an attack or defend us after an attack—and that is the only way in which Canadian forces would ever be used under NATO—then it is a defensive weapon. I think it is shameful for the Leader of the Opposition to refer to a Canadian element of the NATO defensive forces as an aggressive nuclear force.

Then the right hon. gentleman asked me some questions about another allied nuclear force which he claims to have been set up by the NATO council and of which he argues the Canadian air division is now part. He also wished to get some information about the other collective force, the multilateral nuclear force. The Leader of the Opposition has read the NATO communique and he must know that no such inter-allied nuclear force was set up by the NATO council. There was discussion of the possibility of an inter-allied nuclear force, and this is referred to in the communique, in paragraph 8, as follows:

The ministers discussed NATO defence policy and approved the steps taken to organize the nuclear forces assigned or to be assigned to the supreme allied commander, Europe.

This means that if we have an air division in Europe which has been assigned a role by the previous government in agreement with NATO, a role which cannot be discharged without these particular weapons, it seems to me to be entirely a problem of organization whether that force should be under a separate NATO command or under the supreme commander, Europe. That is the only thing involved in these discussions and no decision was made at the time in respect to it. The matter is still under consideration.

I must say, too, that as long as we are undertaking this role—and we shall be reexamining this role ourselves in the next few months—let us discharge it as efficiently as we can.

The right hon. gentleman had some satirical observations to make about the multilateral nuclear force. I do not know whether he considers this to be an aggressive nuclear force. He had suspicions about Mr. Livingston Merchant, a former United States ambassador to Ottawa who was admired as an ambassador by most Canadians who knew him. He asked me to tell him, in the house, all about the multilateral nuclear force. He even asked me what changes the United States government plans to make to the McMahon act in order to help to bring this force into being.

Mr. Diefenbaker: Would that not be a subject of discussion?

Mr. Pearson: Of course it would, but the right hon. gentleman asked me to stand up and say in this House of Commons what changes the United States government intends to make through congress. If and when it is set up, this would be an organizational development under NATO to which might be added United Kingdom bomber force and, perhaps, United States submarines. But it would be under NATO organizational command.

The multilateral nuclear force is something else. It is a mixed force of surface ships with nuclear weapons, and those ships would be manned by representatives of more than one nation under a multilateral command. That is the proposal which is being discussed. The right hon. gentleman asked me to give details of these matters. The details will have to be worked out if and when the countries of NATO decide to go ahead with this multilateral nuclear force. The Leader of the Opposition expressed impatience about not knowing much about it, yet he told us last night this proposal was put forward in Nassau in the Bahamas. And when he came back from Nassau he did not tell us anything about it at all.

Mr. Diefenbaker: Mr. Speaker, may I say to the hon. gentleman that apparently he does not agree that there was a communique issued which set out that fact? Of course, I realize he did not read it.

Mr. Pearson: I read the communique, Mr. Speaker, and if the right hon. gentleman is satisfied that all the information this House

of Commons requires is in this communique then he absolves me from any responsibility of saying anything more.

Mr. Diefenbaker: That communique was not written before the meeting.

Mr. Pearson: I think I should tell the house a little more than appeared in the Nassau communique. The purpose of this multilateral nuclear force—this is well known; I am not betraying secrets of other governments when I say this—is to build up a collective control and a collective custody of nuclear weapons which would become a nuclear deterrent force at the disposition of the Atlantic alliance. The purpose of this is to discourage, and if possible to prevent, the development of national nuclear forces. It is no secret that when we talk about the discouragement of the development of national nuclear forces we have very much in mind in the Atlantic alliance the discouragement of the development of a German national nuclear force. Therefore it was thought by those who put this proposal forward that a multilateral international force which is under international control and with weapons in international custody might be a development away from the possibility of national nuclear forces, and there is something no doubt to be said for that.

Mr. Speaker, I can assure the house, although I do not need to, that Canada has no intention whatever of developing national nuclear forces or of manufacturing national nuclear weapons. While we will give this proposal consideration, as indeed we are bound and are anxious to give consideration to any proposal made to us by any of our NATO allies—and we do not exclude the United States from that group—I do not think that it will be likely that we would wish to add to our existing responsibilities and commitments by participating in this kind of multilateral nuclear force. But this is a matter which will be given the consideration it deserves.

The right hon. gentleman asked me categorically to tell him whether negotiations were going on now about the supply of U.S. warheads for Canadian forces and the supply of nuclear warheads for United States defensive squadrons already established on Canadian soil as a result of an agreement between the two countries, in this case an agreement going back to the leased bases agreement of many years ago. I can tell the right hon. gentleman, as has already been mentioned, that we are reopening negotiations which were begun by my right hon. friend and his government with a view to making the political agreement without which there cannot be a technical arrangement to make possible the acquisition of the ammunition for these weapons systems. So far as negotiations concerning the U.S. air bases in Canada are concerned, these negotiations began long ago, and were begun by my right hon. friend and his government.

Mr. Diefenbaker: Are they continuing?

Mr. Pearson: If my right hon. friend would bother to look at the proceedings of the special committee on defence expenditures for June 22 and subsequent days he will get all the information about these negotiations—what was proposed, what was hoped for, what was intended. The minister of defence at that time said there was an exchange of notes going on covering that matter. For some reasons those negotiations were broken off suddenly by the previous government and they have not been resumed by the present government.

Mr. Speaker, I think I have dealt with, if not all, at least a good many points raised in this discussion on this resolution to set up a defence committee. I hope the defence committee can be set up without delay. I feel sure it can perform a very useful function in clarifying defence problems and in getting information for members on defence matters. I hope there will be called before that committee defence experts, and I hope as a result of the work of a committee of this kind the government of the day will be assisted in the re-examination which it is giving to our whole defence policy, so that we may be sure, so far as it is possible to be sure in a changing world, that in the future we will accept the right commitments for Canada in the field of defence, and that when we accept them we will be able to discharge them.

Mr. Nugent: Mr. Speaker, would the Prime Minister accept a question?

Mr. Pearson: Yes.

Mr. Nugent: The Prime Minister, like the Minister of National Defence (Mr. Hellyer) in his speech, laid very much stress on the so-called commitments, or series of commitments, and went into it at such length that it is obvious that he wanted to lay at the door of the Conservative party the blame for the policy—

Mr. Deputy Speaker: Order. The hon. gentleman has leave to ask a question. I submit it should be put right now.

Mr. Nugent: Yes, Mr. Speaker, in two seconds.

Mr. Deputy Speaker: No, not two seconds, now.

Mr. Nugent: Will the Prime Minister tell me this. Is his government now ashamed of its decision to acquire nuclear weapons?

Mr. Pearson: Mr. Speaker, we think that the government of that day made a mistake. There is nothing to be ashamed about in making a mistake if it is made in good faith. The government of the day took on certain obligations to acquire the use of defensive nuclear weapons. I do not think there is anything to be ashamed of about that; I think it was a mistake at the time. I would hope that in a re-examination of defence policy we will be able to find a more effective form of defence in coalition than that which has been undertaken by the previous government. Meanwhile—because this will take some time—nothing could be more stupid than to accept defensive weapons systems and to assure that they would not be effective by refusing to take the ammunition that makes them effective.

Mr. Nugent: A supplementary question. Did not the Minister of National Defence say in his speech that it was necessary that another agreement be signed before we acquired them? Does that not leave room to get out if we do not think it is wise?

Mr. Pearson: That is perfectly true and it took the previous government four years to make up its mind whether or not to accept that agreement. Meanwhile we spent a billion dollars on this equipment.

Mr. Winch: Mr. Speaker, I wonder whether the Prime Minister would answer a question. I should like to ask the Prime Minister a very direct question. Will the Prime Minister stand in his place—I put it in this way, sir—and on his honour tell the house if I am correct—

Some hon. Members: Oh, oh.

Mr. Winch: May I say that is the right way to put it—that our air force now stationed in Europe is only going to be equipped with nuclear warheads in order to play its part in a tactical nuclear defensive operation and will not be equipped in any way to take part in a strategic offensive?

Mr. Pearson: Mr. Speaker, I am sure that our air force in NATO, as indeed all other forces in NATO, will never be used for any purpose except defence against attack.

Mr. Knowles: Mr. Speaker, may I ask the Prime Minister a question supplementary to the exchange a moment ago between him and the hon. member for Edmonton-Strathcona? Does the present government still feel that the decision of the previous government to acquire nuclear weapons was a mistake?

Mr. Pearson: Yes, Mr. Speaker, at the time it was made it was a mistake. There was a better role for Canada to perform at that time and there may be a better role for Canada to perform in the future.

Some hon. Members: Oh, oh.

Mr. Churchill: Why the delay then?

Mr. Deputy Speaker: Order.

Motion agreed to.

ECONOMIC COUNCIL OF CANADA

PROVISION FOR ESTABLISHMENT AND DEFINITION OF DUTIES

Right Hon. L. B. Pearson (Prime Minister) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to provide for the establishment of an economic council of Canada and to define the duties thereof, to provide for the appointment of the chairman, directors and other members of the council and for the payment of the remuneration of the chairman and directors and of certain other expenses of administration of the council, to provide further that the council may engage the services of such advisers and staff as may be necessary to enable it to carry out its duties and to provide further for other related and incidental matters.

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

Mr. Pearson: Mr. Chairman, the resolution you have just read states that it is expedient to introduce a measure to provide for the establishment of an economic council of Canada and to define the duties thereof, and it goes on to give certain other details in connection with the work of the council. My purpose in the brief remarks I am making today on the resolution is to outline in broad terms and clearly, I hope, the government's purpose in the legislation which it asks leave to introduce into the house. Obviously a more detailed discussion of the structure and the operation which we propose for the economic council of Canada cannot take place until the bill itself is before the house. This resolution, I hope, will clear the way for that purpose. Our intention, if the house agrees, is to proceed promptly to the further and more detailed stage of parliamentary discussion with a bill before the house.

The idea embodied in the resolution is one to which I believe all parties in the house agree in principle, or agreed in principle at least in the last parliament. So far as this government is concerned, the resolution embodies an idea that goes back for us more than five years to the policies which the Liberal party adopted and put forward at the beginning of 1958 in regard to economic planning, which policies, Mr. Chairman, when they were put forward as they were in the house in the form of resolutions, were summarily rejected by the government of that day.

Economic Council of Canada

Our proposals at that time were prompted by an awareness that the economic problems and the economic needs of Canada were changing with changing circumstances. Indeed, the likelihood of such a change had been anticipated some years earlier by the government of that day when it established a royal commission on Canada's economic prospects under the chairmanship of my colleague, the present Minister of Finance.

In 1958 we were aware also and have become more aware since that other countries, particularly the European countries which faced such appalling problems of reconstruction and economic development after the war, had created and were creating new instruments to help in economic policy planning and economic policy making. The economic progress since achieved in western Europe has brought these developments very widely to the public attention and they are often summed up in the one word, planning.

Though the planning that was introduced into the western European countries after world war II varied, of course, in different countries, within the past few years planning has become almost a fashionable word even in some quarters where traditionally there has been a good deal of reserve about any extension of the role of government in our economy. I remember from reading my history that away back in the late 1880's, I think it was, in Great Britain Sir William Harcourt, who was then chancellor of the exchequer, I believe, in commenting on the growth of popular education and referring specifically to the last of the great education bills of that particular century, as well as commenting on the fact that the very first sort of rudimentary stages of social security legislation had been introduced into the British House of Commons toward the end of the century, said "we are all socialists now" on the strength of that development.

Perhaps, Mr. Chairman, it is a little more accurate to say, in respect of what has been happening in recent years, that we are all planners now, though the concept of planning is not the same in all cases. I, myself, think that planning, far from being a word to arouse suspicion, is a very good word indeed. However, it has to be used with a certain amount of caution; that is to say, it is a good word, provided that when we use it we know what we mean by it. We must not fall into the trap, in my view, of thinking that something called planning is, itself, a magic key to economic progress. It is merely a means to an end.

In Europe, there is no simple correlation between the extent of planning in the various countries and the different rates of economic growth that those countries have achieved since world war II. In fact, within Europe itself there is a broad range of planning techniques adapted to different economic situations, different constitutional and different political conditions. The French concept of planning, as embodied in their legislation, is really very all-embracing, and the organization of plans in Paris really overshadows most of the government departments in its actions, in its extent and in its complexity. The one country in Europe which has had, perhaps, the most exciting economic progress since the destruction and dislocation of world war II, the federal republic of West Germany, has itself indulged in a minimum of economic planning. It is impossible, therefore, to talk about planning in a generic way because planning itself differs in various European countries who have benefited from it, and other countries have benefited without very much planning at all.

Some of the techniques used in Europe would be alien to our federal constitution in Canada and our kind of economy, yet anyone who read the report of the commission of the productivity council that went to Europe about a year and a half ago could hardly help but be impressed by what has been accomplished in most European countries by the implementation of economic planning, especially by the emphasis laid in that planning on the use of planning techniques as a method of co-operation between capital, labour and government. There are, and I have mentioned some of them, important reservations. Yet, with these reservations, it is still true that there is much we can usefully learn from the experience of European countries.

The basic thing I believe, Mr. Chairman, the experience that is common in the various countries, is that all the countries where the planning has been instituted have all succeeded in establishing by consultation between government and the public in its varying manifestation of public activity, a broad consensus about the objectives and methods of economic policy and broad agreement on the targets and goals which should be achieved by economic activity. The government's hope, Mr. Chairman, is that we can establish an economic council of Canada which will be an effective instrument for creating in Canada this kind of economic consensus, the kind of economic understanding that we need if we are to make the most of our resources, achieve and maintain high levels of employment, make our economic growth adequate for that purpose and compete successfully, as we must, in the new trading world.

The essential purpose of the council, as we see it, will be objectively to appraise economic trends, to assess economic problems, and so on. This appraisal must not, of course, be made in vacuo, if I may use that phrase, but must be made to serve as a basis for sound policy decisions by government, by business, by labour and by other economic groups. In other words, if planning in government or planning between government and private organizations or agencies outside government is to be effective, it has got to be more than merely an academic exercise.

When the economy has been studied as a whole, when its prospects and its potential have been assessed, the need which has been recognized in most of the free economies of the world is to relate these general prospects, and these general needs, to the particular plans of individual industries and of government agencies at all levels, and bring these together so that each will know what the other is proposing and hopes to do. Our great corporations, our provincial governments, our public agencies—they already plan. Where major investment projects costing tens of millions of dollars are involved, such planning is done many years ahead. But at present, all this partial planning within our economy is not related; it is not co-ordinated. Much of it is done without knowledge of what is intended by other corporations, other agencies or by government agencies. This is one thing that a central planning agency, a central planning council of the kind that is referred to in this resolution will be able to do. It will be able to co-ordinate all the planning that goes on in our economy. It might even be able to avoid the proliferation of planning.

The great value, as we see it, of the economic council will lie in bringing together the thinking of government and the thinking of our great industries, our trade unions, our farm organizations, so that they can together take an understanding and far-sighted view of the policy needs that exist in the private sphere, just as much as in the public sphere of our national life. A vital part of the work visualized in this kind of council, this kind of planning, is to develop and deepen co-operation between management and labour, in so far as government has their responsibility in that field.

Now, all this cannot be done by vague talk about planning or by dealing in vague generalities. It means that the proposed council, and the representatives of the major sectors of our economy, labour, capital and government, must be able to sit down together and freely discuss, with representatives of their own choice, how they see the prospects and the needs of each sector of the economy, and how the needs of one sector apply to the needs of the other. The government's bill is intended to provide for that sort of planning.

In doing so, it will meet the deficiencies to which spokesmen for the Liberal party drew attention in the bill that was before the last parliament. It will also, I think, meet some of the criticisms levelled at the previous government's bill on behalf of the New Democratic party. At the same time, I want to make it clear to the New Democratic party that when we talk about planning, on this side, we are not joining the people who talk about setting up a planned economy in the sense of an all-embracing, far reaching, rigid government regulation over business and labour, which involves controls, quotas and prohibitions which are designed to replace the ordinary operation of our business system. In wartime, of course, we have had to have that kind of planned economy, but anyone who thinks that Canada could be run that way in peacetime is, I believe, simply dreaming and is not in accord with the realities of our situation.

I would ask the New Democratic party, whatever theoretical preferences they may have, whether a planned economy of that kind could possibly work in Canada? Could it win the acceptance—without which, of course it could not work—and the co-operation of ordinary people that all efficient government policies have to have in order to make them work? Could it do that except in time of great national emergency or the greatest national emergency of all, which is the condition of war? I believe it could not.

Mr. Chairman, the concern of the government is with what is possible and urgently desirable and not with what is perhaps theoretically attractive, but which results in ordering people around unnecessarily. What is possible, and needed, is more care, more consultation and more foresight in making decisions, public and private. A modern government has enormous influence on the circumstances that shape private decisions, and it should use that influence to the advantage of the nation and the welfare of its people. A modern government needs to know where the thinking of business, labour and other groups is pointing. Planning, as we mean it, means consultation in order to replace haphazard influence by conscious guidance. It means both government policies and private policies will be more broad-based and long-sighted than at present.

I think I may claim the purposes of an economic council, as we intend them in this proposed legislation, were set out some time ago in a leaflet published by the Liberal party early in 1962. A passage from this

leaflet was quoted by one of my colleagues in the last parliament, but I think it is appropriate that I quote it again at the beginning of our discussions on this resolution and on the bill which will follow it.

Our party committed itself in that pamphlet as follows:

> Nations and governments now face economic problems, both at home and abroad, even more complex than those of the early years after the war.
>
> The economic advisory council—

—which we are proposing now should be called the economic council of Canada—

> —will be the means to bring foresight consistently and systematically to bear on our national problems.
>
> The council's members will have a wide variety of experience in business, in labour matters, in farming, in government and in public enterprises. They must be assisted by expert staff.
>
> The council's function will be to know, by direct contact, what is going on and what is planned in all types of industry and all regions of Canada. It will investigate economic trends, promote research, study such major problems as the impact of automation on industry and on the individual. It will bring information and study into focus for the guidance not only of government but also of all private organizations.
>
> The council will publish outlook reports. It will suggest practical economic targets, so that the federal government, the municipalities and private organizations can together take a reasoned view of our economic needs and the policies required to meet those needs.
>
> Government will then know where the thinking of business and labour and other groups is pointing. They, in turn, will better know the direction of the government policies that so much influence business conditions. They will know what Ottawa is aiming at, and can make their own plans with foresight. Both government policies and private policies will be based on clearer knowledge of what is going on, on better understanding and a longer view.

Some hon. members opposite have voiced what is to me a somewhat strange apprehension that this government may abdicate responsibility by setting up a variety of boards and councils to govern for it. I do not think I really need to say that they should have no such fears. Neither this council nor any other agency which we may be setting up will replace the responsibility of government in a democratic and representative parliament. No government could, I believe, have made it clearer, and we will continue to make it clear, that this government accepts wholeheartedly full responsibility to parliament for decisions on national economic policy.

Where we perhaps differ from our predecessors is that we are determined to make these decisions on full information and with the assistance of modern machinery to help us in policy making. That is the purpose of our legislation. It is the purpose of a government determined to do its job to the best of its ability; not more than the job which is the proper responsibility of the federal government, but all of that job.

Mr. Diefenbaker: Mr. Chairman, I have followed with care the remarks of the Prime Minister. I was very much interested in the document from which he read, dealing with the duties of government and the aversion of himself, and those associated with him, to accepting the principle that boards and the like should take the place of government. If he meant what he said it certainly shows that time does educate for he, and many of those seated around him, were the people who in the days of war, when it was excusable, and then after the war until 1957, believed in the principle that it was perfectly proper to push people around. That was their attitude. That was a major part of their activities, and I am more than pleased to hear the Prime Minister say that attitude will no longer be followed by him and those associated with him.

I could not help but smile when he hearkened back to the days of Sir William Harcourt, and quoted that eminent British statesman as having stated "We are all socialists now." We remember the former prime minister, Mr. St. Laurent, brought that epigram of 1891 or 1892 up to date when he stated that after all there was not any reason for the existence of the C.C.F., now the N.D.P., because, as he said, "There is very little difference between us. The only major difference is this, that the socialists are Liberals in a hurry."

Mr. Pickersgill: That is not exactly a direct quotation.

Mr. Diefenbaker: What is this?

Mr. Pickersgill: I was just pointing out to the right hon. gentleman that did not happen to be a very exact quotation. I can look it up for him.

Mr. Diefenbaker: I bow with deference to the hon. gentleman because I am informed he used to write some of Mr. St. Laurent's speeches and no doubt his memory of what he said is more in accord with what he wrote at that time. However, I was also impressed by the fact that the Prime Minister said that the principles of this legislation were agreed to in the last parliament. I recall very well the introduction of the legislation by the then minister of finance. He introduced the economic council of Canada bill and the Liberal party spokesman at that time was in the person of the now Secretary of State for External Affairs who said "With the principle of the bill we are in full accord. On this account we will of course support the resolution."

Then, for some reason or another following what we introduced as being necessary for

the economic expansion of Canada the Liberal party, pretending that they were not obstructive, spent two days on the resolution, five days on second reading, and in committee of the whole and prevented the legislation from being brought into effect. We do not intend to follow that system.

Mr. Nowlan: We got to clause 2 (1) in committee.

Mr. Diefenbaker: The hon. member for Digby-Annapolis-Kings says we got as far as clause 2, so that whenever hon. gentlemen opposite speak of obstruction I refer them with great deference to what took place following the introduction of that bill, which the Prime Minister says represented a consensus or agreement in principle in the last parliament. They went on for days and days. While they said they agreed from day to day, they disagreed with its principles and with the various sections. I am somewhat surprised that it was the Prime Minister who introduced this measure. I am simply following now because of the fact that the Prime Minister introduced it. I say I am surprised that he introduced it because I know there is a vast diversity of opinion in the cabinet in regard to the question of planning. To borrow the words of the present Minister of Finance (Mr. Gordon):

> The government today in economic matters suffers from cabinet schizophrenia.

Then there are the planners, the men who in the days of the war and afterwards pushed Canada around; the men who believed that there should be no right to appeal against autocratic orders, that the individual should not be able to go to the courts. I need not identify those who belong to that school. On the other hand there were those such as the Minister of Finance, whose economic philosophy is quite different. I can understand that when the question of the paternity of this bill arose the Prime Minister would have to speak for those who held divergent views, those on the far right in the person of the Minister of Trade and Commerce (Mr. Sharp) and those left of centre in the person of the Minister of Finance. Then, of course, their divergent views have to be brought in line with Lamontagne's fables and, in addition to that, Kent's incantations.

We are going to listen with interest to the debate in this regard. It is quite impossible for us to say anything at this time excepting that the resolution is a prototype of the legislation which was introduced by the hon. member for Digby-Annapolis-Kings (Mr. Nowlan), with one exception and that is the addition of the words providing that directors will be appointed.

Mr. Nowlan: And paid.

Mr. Diefenbaker: And paid. Well, when you are pushing people around you do not mind paying somebody for doing it; that is their view. But what is the meaning of "directors"? We will have to wait and see. All we have to say is that the general principle, if after careful examination it is in effect a prototype of the legislation which we introduced, will receive our support. But if the addition of the words with regard to the appointment of directors means the acceptance of directive planning, then we shall certainly have to give the fullest consideration to the course we will take. Certainly the distinction drawn by the Prime Minister is appropriate. Today planing is done, and must be done, in every field of endeavour. But government cannot go beyond the ambit of indicative planning. That is our stand and we are very definite in that regard.

We await the introduction of the bill, because if these directors are to have the powers that directors normally have, then we want to say to the government that we in this party are opposed to any agency or device which will provide bureaucratic control over the business life of Canada. I think the Prime Minister had some of these ideas in mind because he rather laboured when he tried to explain that this was just a board similar to the one that was accepted in principle last November, December and January. On the other hand, in every part of this country today businessmen are beginning to worry. Business has a right to be required to consider the welfare of the state at all times. We will never build up the kind of economic growth in Canada that each of us hopes for, ever expanding, on the basis of control whereby one, two, three or four theoretical economists, knowing in their own minds what is good for everyone, will be placed in a position to enforce their theories.

I would point out in this connection that the president of the Royal Bank of Canada spoke the other day on this question. He is very much concerned with the question of economic planning. He said:

> Planning once begun tends to feed on itself. The dislocations which inevitably occur become the excuse for further plans on an ever more grandiose scale.

As I said a moment ago, we intend to support this resolution because we want to see the bill. We intend to examine it carefully, but we do not intend to follow the course that hon. gentlemen opposite followed last fall and January, when they gave vocal support to legislation which they believed was necessary and which was acceptable to them, while at the same time doing everything they could to prevent that beneficial legislation being brought into effect.

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So far as directional planning is concerned, no doubt we will be able to get some information on this once we see the bill itself. Under this directional planning will it be the objective that Canada's percentage of growth in 1963 shall exceed that of 1962? You will remember, sir, that during the election campaign and even before those opposite said that Canada's economy was failing, that it was deteriorating, that all was economic ruin in this nation. Yet when at the conclusion of the year objective statistics were secured, it was seen that Canada had the largest percentage of economic growth of any country in the world. It amounted to some 8 per cent. Making allowance for the difference in inflationary trends, it represented an increase in volume of not very much less than 8 per cent. I repeat, it was the largest percentage of economic growth of any major country in the world. We shall be glad to hear what the government has in mind in this regard. Nothing has been said about this since hon. gentlemen took their seats on the other side of the chamber. Are they going to increase this year the rate of growth which took place in the last year of our party's administration? I think, Mr. Chairman, that the reason they have said nothing about it is that they realize it is going to be next to impossible to equal the economic progress which was made by the Conservative government during the period of its administration.

In the second place, we have not heard very much about unemployment. Strangely, it is a word which is not used around here any more. Over and over again, day in and day out for the last several years, we have heard about unemployment. When we succeeded in reducing that unemployment rate there was chagrin in the hearts and minds of those who sit opposite. We believe that as a result of the policies which we initiated, and which were ridiculed, the pegging of the dollar, and the other measures which we took to bring about incentives for production, the number of those unemployed by this summer would be relatively small and that we would be able to hold down the unemployment percentage which has existed in the last couple of years—no higher in Canada by comparison than in the United States, having regard to different climatic conditions. But we have not heard anything about that.

I should like to know from those who bring this matter before the house what are the economic objectives for unemployment for 1963 and 1964. Oh, these 60 days of decision, in the light of experience of the last few weeks have become 60 days of mirage. I remember the mirage so well in the old days in western Canada. A traveller would see in the distance castles in the air, only to find later that they were non-existent. That mirage which was brought before the eyes of the Canadian people a few short months ago, the promise of the tremendous expansion which would take place under this new government, will prove no more substantial.

I would ask members opposite to let us know what they have in mind as a suitable increase in the gross national product for this year and next year and, on the basis of their experience since they have taken office, what they have in mind with regard to the reduction of unemployment during 1963 and 1964. These mirages have been brought before us over and over again. What will happen? We are near the three quarter mark in the 60 days of decision and we have heard nothing about those two problems yet.

Reference has been made to planning boards in other parts of the world—in France and in Britain. All of this can be discussed properly when we see the bill. Except for the fact, as I said a moment ago, that the word "directors" occupies such a large place in this resolution, the measure is, in effect, a facsimile of that which we introduced and to which members opposite gave their vocal support—a support which did not extend to bringing about the enactment of the legislation. That is not going to be our attitude. Our attitude will be to support those things which we believe are likely to prove beneficial. If we are given some idea of what this planning will involve—and we can only determine that when we see the bill—and if we find it to be indicative of benefit we shall give it our support. But when the Prime Minister said the last government did not have the benefit of the views of outstanding Canadians with regard to the measures we introduced, he was not paying high tribute to the civil service of this country which gave to us at all times, in the highest echelons, the best advice of which it was capable.

Mr. Patterson: I rise at this time to indicate the support of those in this party for the resolution which is now before the committee.

We would much prefer to have had the opportunity to discuss the resolution with regard to the setting up of the municipal development and loan board, because we are convinced that this measure is one of the most important which will be brought before the house in this coming session. The measure now before us takes what might be called a long term view of economic conditions in Canada; it is an attempt to find solutions to the major problems which face us over an extended period. We are convinced that the other measure to which I have referred is

one which could bring immediate benefits to the economy and help to solve many of the problems which face us at the present time.

Be this as it may, we now have before us a resolution preceding the bill to set up an economic council for Canada. We all remember that in the course of the last parliament there was considerable debate on a measure which was very similar to this. I suppose if we were to look back and consider what was said during those debates in the light of what may be said in the course of the present debate, we would find there would probably be considerable repetition. It may be that the two main parties need only to interchange speeches. Nevertheless, we still face the responsibility of considering this resolution.

I was interested to hear the Prime Minister speak at great length when he introduced this resolution of the importance of economic planning. He said the word "planning" had now become almost fashionable in some areas where, previously, it had been frowned upon. He suggested it might now be a good word and was at pains to justify his frequent references to economic planning and the place it should occupy in the thoughts of the Canadian people at the present time. With respect to this, I should like to refer to the words spoken by the leader of our party in the last parliament when he said:

> Planning is good. But planning which reaches down from the top defeats the very purpose of a democratic society. Planning that permits people collectively to work together and plan from the grass roots up, is good.

I think that places on record our views with respect to the type of planning which would be acceptable to us at present.

Referring to the position of the New Democratic party, the Prime Minister asked the question whether the type of planning they had in mind could be carried out in time of peace. His thought apparently is, is it possible rather than is it desirable. Perhaps he could clarify that the next time he participates in the discussion. It would be interesting to find out whether in his mind the planning suggested by the socialists is or is not desirable in his thinking.

Reference has been made to the proliferation of planning agencies, and I think this is something we have to keep in mind because we have so many planning agencies and bodies and organizations now, right from the municipal and school board level up through the various levels of the government, the various organizations concerned about the economic conditions of the country. We have so many of these organizations which have given considerable thought and attention to the matter of the economic conditions of and economic prospects for, the Canadian nation. I think the suggestion of the Prime Minister is met when he referred to the fact that this would be more in the nature of a co-ordinating body with representatives of various groups interested in this matter, working in co-operation and consultation with a view to establishing the very best program possible for the future development of our country. I believe, Mr. Chairman, that we are agreed that we in Canada have not reached that degree of development and expansion that is possible or desirable. There is no question that we have made headway and progress, but when we consider the matter in the light of the possibilities I suggest we have fallen far short of what we could have attained had this matter been taken in hand carefully, and with determination and vision, with a view to giving guidance and encouragement under the various sectors of our economy.

I suggest we ought to look at the matter of unemployment. This has been referred to in the course of the debate, but I would suggest that it is a paradox in a nation such as ours, with our tremendous resources, productive capacities, with our manpower and skills, that at such a time as this the rate of unemployment could stand as it does. Surely there should be some way of applying the skills and the manpower to the natural resources in order to produce the goods which people require and can use. Therefore I do not think we have anything to be proud about when we consider the level of employment at the present time. I suggest that this is a matter which should receive immediate consideration, and after all the picture has been assessed and the factors considered then perhaps we will go ahead and do something about our unemployment problem. I insist that this is of immediate urgency, because when there are so many of our people unable to find gainful and productive employment it not only works a hardship on them but is a disgrace to the society of which we are a part.

We have also heard references to the rate of economic growth. We have heard suggestions in days gone by about the increase in the gross national product in an attempt to indicate that Canada is moving ahead rapidly and satisfactorily. I suggest, Mr. Chairman, that when we consider all the related facts we have not too much to be proud about even on this score. Because if you consider the value of the dollar and the increase in the cost of living, and you also take into consideration the increased population, then we would find that instead of attaining a considerably increased percentage in our gross national product there is very little to give encouragement in this connection. We have also considered the matter of the taxation structure in

Canada which is such that instead of encouraging development it stifles it, that instead of promoting the welfare of the country it is reaching the point where it is oppressive and hinders development and expansion right along the line. The commission is studying this matter and it will not be very long before they come up with some satisfactory solution. I also believe the matter of the council to which we are now referring should be taken under advisement.

I do not think the government or those responsible for the direction of our economy know exactly which way they are going. There is an uncertainty. There is a state of confusion. We would hope that when this council is set up it will be able to present some goals for the Canadian economy to attain, and in that way assist those endeavouring to promote its expansion and development.

One of the major problems—and this has been emphasized by this group for a considerable length of time—is an adherence to monetary and fiscal policies which are failing to meet the current needs of today. This is a matter of urgent importance. I have in front of me the submission to the Minister of Finance (Mr. Gordon) and the Minister of National Revenue (Mr. Garland) in the brief presented by the Canadian chamber of commerce. It says this with regard to Canada's fiscal and monetary policy:

> Fiscal and monetary policies of the federal government affect the level and direction of economic activity through their impact upon the creation and the flow of savings and capital and the utilization of the country's resources, human and physical. Co-ordination of these complementary policies and their prudent implementation by the responsible institutions is essential if we are to develop the domestic and foreign confidence which is vital to the future growth of our country.

Another paragraph is as follows:

> The need for reconsideration of policies is pressing, for the expansion of 1962 is losing momentum and there are possibilities of returning sluggishness in the economy next year. In terms of the gross national product an increase of over 6 per cent this year may be followed by an increase of less than 3 per cent unless more stimulating policies are adopted. Canada cannot afford to leave idle any significant portion of its resources.

I suggest that in the work of this committee some consideration should be given, as I believe it will, to all these various factors that we have mentioned today.

In the resolution there are one or two things which cause concern, and one of them has been mentioned by the Leader of the Opposition when he referred to the directors who are to be appointed. It will be interesting to note just what will be the basis of those appointments. It will be interesting to note just what factors will be taken into consideration and how they will be chosen.

I am sure that as we come to the consideration of the bill which will follow this resolution we will have adequate opportunity to deal with those matters at that time. However, in summarizing the decisions we will see that in establishing the economic council of Canada and in defining the terms of reference of this council we would urge that the government give consideration to several very important points. We believe that these are essential to the successful working out of this matter. First of all, the council should be truly consultative in its functions. This would mean, of course, that government, labour, finance and all other aspects of our economy must be fully consulted at the policy making stages by the government. Once again may I say that there is no doubt a great mass of data that is available through the studies and research work carried on by these other organizations which should facilitate this particular matter.

Second, the council should be free to act apart from politics. Since this council is designed to give guidelines to management and labour as well as to government, its importance will be nullified if it does not have freedom to make its findings known. May I say again that in connection with the political aspects or factors that could enter into this matter perhaps one of the safeguards would be to see to it that those who are on this council will be truly representative of the various segments of our economy. We were very happy to hear the Prime Minister state that they will be chosen by the organizations or segments of our economy which they will represent. I think I understood him correctly in that regard.

Third, we believe that the important work already accomplished by the national productivity council should be continued and incorporated into the function and structure of the economic council. As we pointed out on the occasion of the debate on the general matter involved, the productivity council had done a tremendously important job and had brought about a measure of co-operation between various segments of our economy that had been lacking heretofore. I believe this should be fully recognized by the new council when it is established.

Fourth, we believe that research studies should now be carried on toward encouraging more Canadian research, and the development of work study programs and management industrial education studies should be continued and expanded. We would suggest that it is of the utmost importance that the work of the economic council be done on a continuing basis with management and with labour and with the other programs rather

than just evolving into a civil service operation. This new council can also be a sounding board in assessing how effective any other government programs are in meeting the actual needs which industry and labour themselves ascertain and face in their daily work.

We submit these points for consideration, Mr. Chairman, and at a later date when the bill is before us other members of our group will be participating in the discussion.

Mr. Cameron (Nanaimo-Cowichan-The Islands): Mr. Chairman, as the Prime Minister pointed out when he introduced the resolution the opportunity for full discussion will come more rationally when the bill is before the house—although for my part I do not think there is very much doubt as to what kind of bill it is going to be, because I recall that last year when the former government introduced a bill along this line they were accused of having stolen the pants off the Liberal party. Presumably, therefore, the Liberal government, now that it is back, will bring in somewhat the same sort of bill. In fact, I rather gathered that from the Prime Minister's warning, shall we say, to members of this party that the bill would not meet our requirements.

In that connection, sir, I would hope that the Prime Minister knows better than his analysis of this party's policy because if he does not it will fill me with dismay to think that the Prime Minister of Canada is so ignorant of political and economic theory as really to hold those views of the policies of this party. He mentioned in the course of his speech how much opposed his government was to the whole concept of governments pushing people around. So are we, but we are also concerned with something else. We are very much concerned with the problem of certain groups of people pushing governments around as they have been pushed around throughout the lifetime of Canada. To my mind in this present age that is the real problem we are facing.

While we do not have the bill before us and cannot discuss what may be expected from it, I think it is worth while at this time to spend a few minutes in outlining what we in this party consider to be some of the major problems that are going to face the government and this economic planning council. First among them I would put the problem of foreign ownership. I know that this problem is one that has concerned at least some members of the government party. I recall that the present Minister of Finance had this to say on October 4, 1962, as found on page 185 of *Hansard* of that year:

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> I believe we can stop this sell-out of our natural resources and our Canadian companies. We can buy back in the years to come many of the resources and many of the Canadian companies that are now in foreign hands.

Then he repeated that sentiment later on the 22nd and suggested that there should be steps taken to see that Canadians participate in the development of the industries in question, such as chemicals and petrochemicals. On the other hand, Mr. Chairman, only the other day, on May 28 to be precise, I noted that the Minister of Finance in answer to a question in this chamber said that the government welcomes an increased inflow of foreign capital into the country, which seems a rather extraordinary attitude for him to take when only a few months ago he was warning us of the dangers of increased foreign ownership and control of Canadian industries and resources. It may be, of course, a case of the old adage of when the devil was sick the devil a monk would be, but when the devil was well the devil of a monk was he. In this case, of course, health or ill health is to be connected with political success or failure. Possibly we have a transmutation of ideas of the Minister of Finance since he was elevated to that high position.

In this connection I should like to quote from a very interesting speech made by the president of the Montreal and Canadian stock exchange yesterday in the city of Quebec in which he had this to say, as found in today's *Globe and Mail*:

> The United States gets a remarkably large return in foreign exchange from relatively small amounts of capital invested by its corporations in foreign countries, including Canada. In the case of Canada, U.S. corporations have no intention of selling part of the equity of their Canadian subsidiaries to this country's investing public.
>
> Mr. Kierans said the major source of direct investment flowing into manufacturing is the United States and that 45 per cent of all of this capital has been absorbed by manufacturing industries—
>
> Among the documents he included to illustrate his point was a statement to a U.S. congressional hearing by Eldridge Haynes, president of Business International of New York, on the performance of 32 overseas trading corporations of 21 U.S. manufacturers in 1959-60.
>
> The $10,548,000 total of equity investments from the United States since incorporation produced an inflow of $277,251,000 in the two year period being surveyed. The original capital outlay also generated sufficient funds overseas to permit the investment of $24,008,000 in underdeveloped and developed countries—
>
> Mr. Kierans referred to current talk about the reorganization of industry and planning by investment corporations to buy Canada back. An illuminating document on this was an appendix to the speech dealing with the Montreal stock exchange's two year program designed to encourage U.S. parent companies to sell part of the equity of their Canadian subsidiaries to Canadians. "The response was completely negative," said an introduction to excerpts of letters from U.S. parent corporations.

This I submit, Mr. Chairman, is the measure of the problem that this government and this economic planning commissioner are going to have to face. The way Canada's economy is flowing now, it is nothing short of a running hemorrhage. The dominion bureau of statistics tells us that in 1958 the net outflow from Canada was $444 million; in 1959 it had risen to $491 million; in 1961 it had risen to $561 million, and in 1962 to $570 million. Nor is this the whole story, Mr. Chairman, because in addition to these enormous sums that are draining from the Canadian economy to the United States, there are vast reinforcements of surplus earnings in this country by these foreign corporations to expand their already enormous assets in this country.

I suggest to you, Mr. Chairman, that no planning commission, no government, is going to be able to deal with our economic problems unless it is prepared to face up to this major circumstance regarding Canada. It is not too much to say, sir, that the Canadian economy has now become a joke and a fraud; that it is a hollow shell. We have built around it, or rather have allowed to develop within that shell, industries, resource exploitation entirely in foreign hands. We surround this shell with national institutions such as this parliament, provincial legislatures, even our police forces, and all the other amenities of national life. Actually, they are enclosing an almost completely foreign body at this date.

I suggest to you that this is the major point of attack that this government is going to have to make with its economic planning commission. It will not achieve that purpose by anything in the nature of indicative planning. It is not much use telling people that they ought, really, to relinquish these things to the nationals of the country in which they operate; that would be the nice thing to do. What they are interested in is what would be the profitable thing to do. Any planning commission that is going to have the slightest effect on economic development in Canada is going to need to exercise coercive power, and this is one of the points at which its coercive powers will have to be exercised if Canada is not to become a political as well as an economic and military satellite of the neighbouring republic.

Mr. Pearson: Mr. Chairman, there is very little I need to say in winding up the discussion on the resolution. As hon. members have pointed out, the main debate will take place on the bill. I was interested in the remarks of the right hon. Leader of the Opposition. He was very satisfied with economic conditions. It is the purpose of this legislation, we hope, to improve the situation. We are not satisfied. We hope that the economic council for Canada will improve conditions, especially in the field of employment. If a planning body is to be effective in this country, then we have to achieve full employment.

The Leader of the Opposition was very satisfied because things were all right during the last year of his regime. The gross national product increased 6.2 per cent. This is true and we can all take satisfaction out of that. I would point out, just to modify our satisfaction that we had a good year last year, that in the six years of Conservative administration the gross national product went up 18 per cent. In the six years previous under Liberal administration, it went up 36 per cent and the 6.2 per cent figure reached last year was exceeded in four of those years under Liberal administration.

However, I do not believe there is any call for complacency in the fact we had this rate of growth—

Mr. Martineau: Would the Prime Minister permit a question? He just made certain comparisons between the last six years and the previous six years. Would he tell the house if, in his opinion, world conditions during the last six years were comparable with those that existed under the previous administration?

Mr. Pearson: No, they certainly were not. Immediately after the war, Europe had been practically destroyed. She could not pay for imports; there were controls, quotas, and it was very difficult indeed. By the same token, when these financial conditions were difficult, there were great needs to be filled in Europe. Those needs were filled by exports from countries that were more fortunate in that respect, and Canada was able to take advantage of this position. One reason Canada was able to take advantage of this condition was that we lent European countries in those years hundreds of millions of dollars which enabled them to buy our products. Therefore, while it was easier from one point of view in the first six years about which I was talking, and there were difficulties in the second six years, it can be seen that there were difficulties and advantages in both periods.

Mr. Nowlan: I am sure the right hon. gentleman will agree that there was more development of national resources, of iron ore and the rest of it in the first period.

Mr. Pearson: Yes, I said I agreed that there were advantages and disadvantages in both periods. However, there is no cause for smug complacency because we had a good year

last year. Let us hope that the good years continue and we are able to maintain a growth which will provide full employment, because that is the purpose—economic growth. The major purpose of any economic planning body, I take it, is to help produce economic growth and produce full employment.

While we had a good year last year in regard to our gross national product, we will have a huge deficit. We will be having our budget next week and we will learn about these things. We have a huge unfavourable balance of payments. We have too high a figure on unemployment.

It is our hope, if legislation of this kind is put into operation, that the economic council will help maintain economic growth as a means to an end—to the end of full employment and national development. I think, Mr. Chairman, there is nothing that I can add to what I have said. We will bring the bill down at the earliest possible date. We will have to assess this type of bill, and I am sure my hon. friends opposite will find there are some very interesting and useful changes in the bill in comparison with the one which was introduced last session.

Mr. Nowlan: I understand the government is not bringing the bill down for first reading today.

Mr. Pickersgill: Oh, yes.

Mr. Gregoire: First, I should like to congratulate the Prime Minister upon the introduction of this measure which will help economic growth. However, he is talking mostly about one part of our economy, namely production. I should like to know, is it the intention of the Prime Minister to include all parts of the economy and economic problems, namely, the problem of exchange or the monetary problem? Can the economic council be effective in this field?

Mr. Pearson: It would have to take into consideration not only production but the means of exchange of production.

Mr. Gregoire: May I ask a supplementary question? The Prime Minister has put on the record the fact that this resolution fulfills one of the Liberal promises. Is it the intention of the Prime Minister to include, along with this economic council, another part of the Liberal party program which was to the effect that a Liberal government would take full responsibility for the monetary mass?

Mr. Pearson: I think my hon. friend had better wait and have a look at the bill. I do not believe I can go any farther than I have on this matter.

Resolution reported and concurred in.

Mr. Pearson thereupon moved for leave to introduce Bill No. C-72, for the establishment of an economic council of Canada.

Motion agreed to and bill read the first time.

INDUSTRY

PROVISION FOR ESTABLISHMENT OF DEPARTMENT

Right Hon. L. B. Pearson (Prime Minister) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure (a) to establish a department of industry to be presided over by a minister of industry who shall be appointed under the great seal of Canada, to authorize the appointment of a deputy minister by the governor in council, and to provide for the appointment to the department on a temporary basis of persons having special knowledge of manufacturing industries to assist in the work of the department; (b) to provide for the establishment under the direction of the minister of an area development agency and to provide for the appointment of a commissioner and a deputy commissioner for area development; and (c) to make a consequential amendment to the Salaries Act to provide a salary for the minister.

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

Mr. Pearson: Mr. Chairman, we have just passed a resolution which makes possible the introduction of a bill dealing with an economic council for Canada, and we have just given first reading to the bill that would establish that council. The test of the value of the economic council's work will be whether it succeeds in identifying what I might refer to as the emerging points of expansion in our economy and to help keep our economy expanding to a point where it will be able to provide for full employment. Its task will also be to guide the public and the government, and give advice on what are the sectors of our economy from which we can expect strong expansion, and what are the things that a growing Canada can produce in greater quantity and for the nation's benefit.

What can we do now that will help us to make the most of our resources and our talents, and how can we adopt our economy to changing conditions? Those are the problems and the work of an economic council and, as I said earlier this afternoon, the point of all this is to help government and all the various sectors of the economy to work together.

The point and purpose of the department of industry, which it is proposed to set up, will be to assist in transmitting these various ideas into effective action. We have a Department of Agriculture responsible for the action that government can take to help farmers. We have a Department of Fisheries which performs

the same function for fishermen. For the mining industry we have the Department of Mines and Technical Surveys. However, Mr. Chairman, there is no department of industry, no department of government especially concerned with the needs and the opportunities of manufacturing industry, and the main purpose of the resolution before us now is to remedy that fact. The bill that we seek leave to introduce is one to create a department which will be for manufacturing industry what the Department of Agriculture is for farmers.

Specifically, the functions of the new department will be to maintain close, practical contact with industry, to make sure that industry gets service from government. It will be a department to which manufacturers can come to find out what is going on, to get advice and help in their problems. New and expanding enterprises in particular will look to it to see that government policies make their paths as smooth as possible. It will be concerned with translating into specifics the more general ideas about our economic growth that we hope will be generated in the economic council.

It will review, industry by industry, what can be done to increase Canadian production and how government can help in this regard. It will do this against the background provided by the longer term prospects assessed and analysed by the economic council, but in its own operations as a department it will be concerned with the building rather than the blueprints of an expanding economy.

In proposing to set up such a department we are not, of course, writing on a clean slate. We will not be introducing a whole new range of government activity. Much of the machinery that the new department will use is already in existence in one form or another. It exists particularly in various sections of the Department of Trade and Commerce and in the Department of Defence Production, which would be absorbed by the new department of industry if that department is set up.

In introducing this measure the government has no intention of setting up a great new bureaucratic machine, duplicating work already being done and some of which would be continued. Whenever possible existing organizations, existing services and existing people will be used. This does not mean, naturally, that nothing will be added. In some measure, indeed in relatively small measure, this must be and will be done. That is why the resolution provides for temporary appointment to the department of people who are not civil servants but who have special knowledge of manufacturing industries. It is hoped such appointments will bridge the transition stage until the department can be fully staffed by the standard methods of recruitment. Full staffing, however, will not mean heavy staffing. The work for which this new department is designed is not work that should require a lot more people in Ottawa.

What is at present lacking in government organization is not activity connected with industry so much as a focus point that will give clarity and direction to government action to encourage industry, and in asking the house to consider this legislation we are asking it to provide such a focus.

I can hardly overemphasize the importance which we in the government attach to the creation of this new department. What—and this bears on the work of the new department very directly, and on its responsibilities—what are to be the sources of the new wealth and employment which Canada needs? Where are we going to provide the jobs for the 250,000 young people by which our labour force is going to increase in each of the next few years? That, I may add, does not take into consideration the amount of immigration which we would like to see coming to Canada.

Where will we find, in addition, the new jobs that are needed to keep pace with automation and other technological changes—changes which mean that our existing level of production will require fewer workers in existing industries? What will be the sources of increased exports we must make in order to pay for necessary imports and at the same time strengthen our payments balance with other countries which at present and for some years has been in dangerous imbalance?

There is no doubt about the answer, in general terms, to these questions. It is clear, however, that in trying to find specific answers we have to accept the fact that manufacturing industry, secondary industry, is the source from which the new wealth and the new employment must largely come. The development of Canada in the past has been built largely on our farms and our great raw material producing industries. They are not going to shrink, even though the number of men required to operate them may shrink, as it has over the years. But they themselves, in their production of wealth, are not going to shrink. Our soil, forests and mineral resources will continue, of course, to contribute very importantly to our development, but for the future expansion that we need if we are to take care of our work force we must now look especially to the manufacturing industries.

In the past government encouragement of manufacturing industry in Canada has been closely linked, in many people's minds—and

there is some evidence to support the linking—with policies of protectionism. The main way to help our industries often seemed to be to build a tariff wall around our relatively small domestic market. But whatever the historical justification for that attitude—and it is not difficult to find some historical justification for it—there is now, I think, widespread recognition that it does not fit the industrial needs of the 1960's. Our aim today cannot be simply to build up industry, any kind of industry in a general way, by general action. Canada's need is for industries that will thrive in the modern world, industries that will fit into the new patterns of international trade which are now emerging and to which we will have to adapt ourselves. There are signs that industry is adapting itself to these changes. We must strengthen our international payments balance, but we cannot expect to do so by cutting down imports of some of the simpler kinds of manufactured goods which more and more countries are now able to produce for themselves and sell economically. Our special need in this country—and this applies to other highly developed industrial countries—is to create and expand the more sophisticated, the more complicated, if you like, kinds of industry producing goods which we both need ourselves and which we can sell to other countries. Such export markets will need to include, increasingly, the developing countries, the new countries of Asia, Africa and Latin America, which should be the fastest growing markets for the most advanced kinds of industrial products that we in this country are increasingly able to produce efficiently and economically. We will not make this kind of progress, this increase, by industrial protectionism. So the aim of the department we propose will not be to shelter or shoreup weak, protected enterprises but to encourage and build up economic industries and to help industries adapt themselves and, in certain cases, adjust themselves to changes which are being made.

The debate on this resolution is, of course, not the occasion for me to go into more detail about the organization of the proposed department. That can only be done when the bill is before us. But there are two points which I think it is appropriate for me to mention in connection with this resolution before I sit down. We all recognize, I am sure, the deep and intimate concern with the welfare of industry that is felt by the governments of the provinces. That is their constitutional responsibility as well as their natural duty. The establishment of a federal department of industry will in no way lessen or interfere with provincial responsibilities. The new federal department will not in any way create new federal responsibilities. Its concern will be simply and solely to discharge more efficiently and effectively the responsibilities which already fall on federal authorities. By providing a purpose for federal action, I believe the new department will make it easier for provincial departments of industry to do their work. Therefore, far from being hampered or interfered with, provincial action in support of industry will be, we hope, assisted by this development. Opportunities for fruitful federal-provincial co-operation will be improved.

In this respect, Mr. Chairman, I would mention particularly the area development agency which is proposed as an important part of the new department. The areas we are concerned with are those in which unemployment is heavy and chronic in its nature, where special government action is therefore called for in order to encourage economic development or industrial adjustment. Various departments of the federal government can be helpful in different ways to such areas. The purpose of the proposed area development agency is to assist in making sure that this will be done. It will create in Ottawa a small group of people whose special responsibility, on behalf of the minister of industry, will be to make sure that various federal policies are conceived and co-ordinated in ways which will be of maximum help to the areas of maximum need. Again, the point is to make action more effective by providing a focus for it. In this sense the area development agency will be co-ordinating rather than executive. In this way it will not interfere with provincial action to the same end. Quite the contrary. If the co-ordination and effectiveness of federal action are improved, action by the provinces in their areas of responsibility will become easier to take and will be made more fruitful.

In proposing this measure, Mr. Chairman, the government is by no means blind to the difficulties and problems which will arise and which the new department, if it is set up, will have to face. But the need, it seems to us, for a department of this kind has mounted rapidly with the changing nature of the Canadian economy and the growing relative importance of manufacturing industry in that economy as a provider, especially of jobs. The time has come when some of the difficulties in the way of expansion and employment must be surmounted. I believe that a department of this kind can help in that regard. There are now before our economy both challenges and opportunities which, I suggest, the creation of a department of industry can assist in solving and exploiting.

I think this will be a forward step and one which it is important to take now. I hope the house will agree to deal in that spirit with the resolution which I now have the honour to propose.

Mr. Nowlan: Mr. Chairman, I am sure the committee has listened with interest and its usual attention to the words of the Prime Minister in bringing forward this resolution to create a new department of government. There are various attitudes one could take in connection with this, but time does not permit me this afternoon to deal thoroughly with the various aspects which I am sure impress each and every one of us, the possibilities, perhaps advantages and problems in connection with this resolution. At least we have seen today an example of co-operation among the various opposition parties and the government in moving ahead very rapidly with one resolution this afternoon. Perhaps I can therefore be pardoned for not coming too quickly to definitive statements with respect to this resolution in the next 18 minutes which still lie ahead of me on the clock. We have in the resolution we have already dealt with—the one setting up the economic council—I am not going to interpret the actions which may have prompted the government and the Prime Minister in bringing forward that resolution, but as I read in the speech from the throne, the control of that council is going to lie in the hands of another minister, the president of the privy council. I think there is a real problem in the relationship of the departments of government. I think—I am speaking now not of immediate past history, and certainly not of contemporary events, but I think anyone who has read the political history of this country and, where the same factors apply, in others, will find, not conflicts, but pressures arising between different departments as to which one is going to have control of the economy, particularly over fiscal and financial matters necessary for the solution of those problems.

It may be fair to say that on this question too—and, again, I am not speaking, as I said, of the contemporary scene or of the immediate past, of which I have had some experience —there may have been conflicts—pressures, rather, not conflicts—between, let us say, the Department of Finance and the Department of Trade and Commerce. When you have departments headed by strong ministers—and they have been headed by strong ministers in the past, we all know that these ministers, together with their departmental officials do, quite properly, suggest that the solution of the nation's problems lies in their department handling the affairs immediately before the nation. Whether that is the reason why, in connection with the economic council, the Prime Minister took it upon himself to move the resolution rather than allow one of the other ministers to do it is a matter, of course, the secrets of which I am not conversant with in any way. I do not know.

I, perhaps have had a little experience in a minor way of similar pressures. I know this presents a real problem. But at least here we have had a solution arrived at, apparently, which, if I read the speech from the throne correctly, gives us the worst of all worlds. We are to have this council controlled by another minister, the President of the Privy Council, rather than by, say the Minister of Finance who, one might well think is best suited, for a number of reasons, for this position. After all, the Minister of Finance, must take a certain responsibility for financial and fiscal matters; otherwise, he cannot carry out the duties which rest on him. But in this case the proposed department will come neither under his jurisdiction nor under that of the Minister of Trade and Commerce. It is the President of the Privy Council who is to administer this branch of the government. We have been told this afternoon—and I believe we are all thankful to know this—that it is only to be an advisory council, not one with any managerial capacity or power of direction. Perhaps the same problem arises again in connection with this department the resolution concerning whose establishment the Prime Minister introduced to this committee a few minutes ago.

It could be argued in various ways. I have had some little experience with this. I remember that in days gone by pressure was brought to bear, not pressure, but suggestions in briefs, by various delegations, not least among them by the Canadian Manufacturers' Association, which wanted a separate department of trade and industry. As I recall it latterly, or in the last two or three years during which I have had some experience in the matter, the suggestion was not that we should have a separate department of trade or industry but that we should change the name to that of trade and industry. With that suggestion, I am sure, we were all in full accord. With all due respect to the department, which has accomplished a great deal and which has been well managed and well run throughout the years, perhaps the name "trade and commerce" was something of a misnomer. It led those associated with manufacturing to feel they were being ignored. The suggestion was, apparently, of selling and buying rather than of manufacture. That did suggest that the name of the department should be changed and that it should be called the department of trade and industry. I think that is a proposition

the logic of which would appeal to everyone. To move from that, from a change of name, to the creation of two departments, a department of trade and a department of industry, is something to which this committee should, I think, pay very careful attention and be satisfied only after very strong arguments before it accepts the principle which, no doubt, will be put forward in detail in the bill.

I can see trade and I can see industry. I think they go hand in hand. If you manufacture apple sauce you are in industry. If you manufacture a can you are in industry. If you put that apple sauce into the can you are on the verge of industry and trade. And when you start to sell it you are in trade or industry, I presume, and the sauce may go sour in the meantime. I think there is a real problem here to decide where industry stops and where trade begins. I think we have had very strong and able men running the Department of Trade and Commerce going back at least over my experience in this House of Commons, which I entered on the same day as the right hon. Prime Minister. We are among the seniors in this house at the moment.

An hon. Member: Just young fellows.

Mr. Nowlan: Thank you very much. We had the late Right Hon. C. D. Howe as minister of trade and commerce, and the department has, I think, been well run and well managed. It has contributed a great deal to the welfare of the Canadian economy, at least during the years I have been here and undoubtedly many years before that. I wonder just what benefit would accrue to the Canadian economy, to Canadian efficiency and to departmental efficiency if we were now to have a bifocal department with a minister of trade on one side and a minister of industry on the other. I am not expressing any views at the moment. I am simply raising problems which I think are being raised by this measure. Certainly, to some extent we are emasculating the Department of Trade and Commerce; we are splitting it up. I am willing to hear arguments and I am sure we shall hear them when the government, later, sees fit to bring this bill forward for a second reading. I am sure we shall hear arguments as to why this should be done. I can assure the Prime Minister and the committee that as far as I am concerned I would want to hear very logical and cogent arguments advanced before I would welcome—though we may have to accept—the provision which is apparently envisaged in the resolution which is before us this afternoon.

As to the overlapping of the departments, the Prime Minister, speaking on this a few minutes ago, referred and, possibly, he was ranging over the whole field as I, perhaps, am doing at the moment, to the problem of protection. He said this department should not foster protection in every way possible in a free economy, and so on, as we all do. Well, of course, the subject of protection and tariffs has been debated in this house ever since the original peace tower was built —perhaps not so far back as that, because it was built in 1865; but ever since the first parliament met here in 1867—and, undoubtedly, it has been discussed ever since. As one wag said, there was a great disagreement between the parties. The Liberal party did not want tariffs to go any higher, and the Conservative party did not want them to go any lower, and on that they had a common ground on which they could agree. Anyway, this has been the cause of bitter argument and criticism in debate in days gone by. But as to the subject of protection, I think, with all due respect that you get advice from your colleagues in the cabinet as a whole. But in the end—perhaps I have an affinity with that department—I think the Minister of Finance has to be largely responsible for recommending to his colleagues fiscal and financial policy, and with all due respect to whoever may be the minister of this newborn fledgling which is to be brought forth, the parentage of which is a little uncertain at the moment, I should hate to think he would be responsible for dealing with fiscal and financial matters.

Mr. Chairman, one could go into many things in discussing this question, but as I said, at the moment I am simply pointing out the difficulties which lie before the committee, the government and the house before we are all in agreement on the acceptance of this principle. We have a very highly trained staff in the Department of Trade and Commerce. The government with which I had the honour of working created a small business section with special assistance given to the development of trade and industry. I would suggest with all due respect to the Prime Minister—and I would be surprised if the civil servants who were associated with the present Minister of Trade and Commerce (Mr. Sharp) did not agree—that there was tremendous progress made in the development of industry in this country in the last two, three or four years, not only the last year to which reference has been made. The Prime Minister admitted development in the gross national product, but the foundation for that, at any rate, was laid before the last year. There had been a constant but perhaps not as sensational a development as there was last year, and that came, not under

the aegis of the government as a whole but the Department of Trade and Commerce, perhaps misnamed as it was.

Personally, Mr. Chairman, I cannot accept the argument that in order to get a development of industry in this country we now have to have a bifocal approach, that we have to split the two departments. The Prime Minister was careful to say that we are not going to have many officials. We are going to borrow, we are going to ask for assistance, and we are not going to create a further bureaucracy in this country. But with all due respect, in spite of the administrative genius of the minister who it is suggested will head this department as, if and when this parliament creates it, and the administrative abilities of the present Minister of Trade and Commerce, I suggest that Parkinson's law is inexorable and inevitable, and whether you borrow them, beg them or steal them you will have an increase of bureaucracy every time in any event. You have it every day, Mr. Chairman, and you are going to have it to a greater extent than ever before with the creation of other departments.

There are other matters of legislation on the order paper in this connection which are not germane to this debate at the moment—further creation of departments or bifocal departments. The whole tendency is in the further creation and extension of a bureaucracy which I do not think is at all in keeping with the stated desire of the government to improve its efficiency, to reduce its costs, and all the rest of it. As I said, there has been a tremendous development taking place in the last few years.

The Prime Minister referred a few moments ago to the balance of payments and his hope that we could reduce the deficit still further. He stated, quite properly, that we could not do it by narrow, insular protectionism but by an increase in our exports and an increase in our economy generally. There again, Mr. Chairman, the record shows that during the last year, in reducing the deficit in the balance of payments we made a greater advance than has occurred since some time in the early 1950's. That was done by the concerted effort of all branches of the government, and it was done to a substantial extent under the aegis and the leadership of the then ministers of trade and commerce, in association with their colleagues in the cabinet. So, as I say, I cannot accept this principle. I need further evidence than I have had today if we are to accept this government policy.

We are not going to filibuster a matter such as this. We are going to study these measures as they come forward. We are going to criticize them, try to improve them and amend them as our experience and advice would suggest. The responsibility ultimately rests on the government, but I for my part cannot see the necessity for one moment for splitting the department of trade and the department of industry. There were verbal, token arguments suggested by the Prime Minister a few moments ago, but I think he has to go much further than that before he and his colleagues can convince this committee, this house and the country that this further excursion into bureaucracy is not an expense and a duplication of effort, and is I suggest inefficiency rather than efficiency.

Mr. Chairman, I have not time at this moment to refer to the other department or branch mentioned in this resolution which is before us to provide under the direction of the minister for an area development agency. That is a very worthy purpose, Mr. Chairman. We have heard of area developments throughout the years. I suggest that the record of the immediately preceding government in dealing with these matters and in dealing with, shall we say, tax incentives to encourage the location of industry—and various other measures have also been implemented by the provincial governments—is commendable. I read in the paper today of another example where in the province of Nova Scotia, which of course is one of the provinces which has given the lead to Canadian development, since January of this year there have been eight or nine new industries brought into the province by the agency of the provincial government, the Industrial Estates Limited. I think, Mr. Chairman, that an agency such as that can be more effective in dealing with area development in certain areas than undertaking it on a national basis.

However, as I said, this resolution is one which I think has great importance and is worthy of the most careful consideration and study by this committee and the house. I should now like to call it five o'clock.

The Deputy Chairman: It being five o'clock, so that the house may proceed to the consideration of private members' business pursuant to section 3 of standing order 15, it is my duty to rise, report progress, and request leave to sit again later this day or at the next sitting of the house, as the case may be.

Progress reported.

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

FINANCE

PROVISION RESPECTING CONTROL OF CONSUMER CREDIT

Mr. Reid Scott (Danforth) moved the second reading of Bill No. C-6, to provide for the control of consumer credit.

He said: Mr. Speaker, in introducing this bill for consideration on second reading I should like to deal with it in four phases: first, the purpose of the bill; second, the need for regulation of this kind in the field of consumer credit; third, the degree of interest in this whole subject that has been displayed by members in all parts of the house and, fourth, what appears to be a very genuine need for an examination of the whole field of finance companies and consumer credit and other forms of lending in Canada as a whole. The explanatory note sets out the main purposes of the bill. First, it is intended that persons, institutions and companies engaged in the lending of money shall be compelled to disclose to the borrower the actual amount of interest being charged and at the time of making of the loan a statement shall be furnished to the prospective borrower setting out in detail the total amount of the unpaid balance on which interest is being charged, the total amount of interest payable under the agreement, whatever the agreement may be, and the actual relationship between the principal and the total amount of interest that is being paid.

All of us who have had any dealings with contracts and agreements involving the payment of interest are well aware of the fact that there are, of course, many reputable companies engaged in this field of activity who quite accurately set forth the amount of interest they are charging their customers, but there are also a large number of companies who manage to conceal very carefully in their agreements the actual amount of interest to be paid with the consequent result that many of the borrowers have no idea whatsoever as to the true amount of interest which they are being charged. Under these agreements interest can vary anywhere from 6 to 26 per cent.

The bill seeks further to broaden the definition of an agreement to include deeds, assignments, mortgages, agreements for sale, conditional sales agreements, chattel mortgages and any instrument or contract involving the levying of interest on money being lent. Section 4 of the bill seeks to impose an upper limit of 10 per cent interest which may be charged. Section 5 of the bill states that in any case where the lender fails to give an accurate statement to the borrower the agreement shall be void with respect to the payment of interest. Section 6 states that whenever the rate of interest charged exceeds 10 per cent the contract will be void in that regard.

As I said, Mr. Speaker, the main purpose of the bill is an attempt to let borrowers of money know precisely and accurately what they are being charged and to impose upon lenders of money the duty of making the interest rate perfectly clear and simple to the borrower at the time the loan is made. The need for some detailed regulation in this line of activity is only too evident. A recent issue of the *Globe and Mail* on March 3 of this year discusses a speech made by Dr. Jacob Ziegel, professor of law at the University of Saskatchewan. In his remarks Dr. Ziegel outlined to his audience that at the end of 1962 there was $4 billion outstanding in Canada on consumer credit loans of one kind or another. He went on to say that this amounts to approximately $210 for every man, woman and child in Canada at the present time.

So, Mr. Speaker, the field of consumer credit is an enormous one and embraces activities from coast to coast in Canada. For example, the dominion bureau of statistics estimates that as of March 31 there was $3,664 million outstanding in various forms of consumer credit. This is broken down into various categories. For example, conditional sales agreements total $771 million, small loans $658 million, home improvement loans $67 million and personal bank loans $1,206 million. It goes through all the statistics and points out very conclusively the tremendous market that exists in Canada in the field of consumer lending, the consequent need that follows for a very careful examination of the rules and regulations governing this field, and in particular the degree to which borrowers of money are protected and made aware of the circumstances and the rates at which they are doing the borrowing.

To refer back to Dr. Ziegel, he registers the complaint that credit can be obtained too easily and says that advertisers should be made to give all the details of credit buying plans in their advertisements. I do not think there is any doubt that there is a great deal of activity in Canada in this particular field of lending and it is one in which the rules and regulations governing it are somewhat nebulous and dispersed.

With respect to the degree of interest in this whole field, if we examine the order paper before us today it is evident that this particular field of activity has been given considerable attention by members on all sides of the house. We have on the order paper order No. 4 in the name of the hon. member for Winnipeg North (Mr. Orlikow) amending the Small Loans Act, order No. 5 in the name

of the same member to amend the Interest Act, order No. 9 in the name of the same member to amend the Small Loans Act, order No. 18 in the name of the hon. member for Roverval (Mr. Gauthier) to amend the Small Loans Act, order No. 26 in the name of the hon. member for Rosthern (Mr. Nasserden) to amend the Interest Act, order No. 50 in the name of the hon. member for Gatineau (Mr. Leduc) to amend the Interest Act and order No. 57 in the name of the hon. member for Greenwood (Mr. Brewin) respecting relief against unconscionable transactions.

It is obvious, therefore, that this is a field in which members of the house in all parties have taken a great deal of interest and no doubt many more bills would have been placed on the order paper by other members had it not been that these bills probably cover the areas in which they are interested. I merely point that out in passing to say that what I should like to initiate today is not so much a discussion on the specific proposals of this bill, which I must admit is somewhat limited, but rather to initiate a general discussion in the house in the coming weeks on the whole broad field of consumer credit and the institutions and organizations that handle this type of financing in Canada.

It may well be that it is not sufficient merely to designate that lending companies must make clear to prospective borrowers the actual interest rate they are being charged, nor will it be sufficient to pass legislation protecting purchasers from unconscionable transactions. Both these aims are very laudatory and necessary but it seems to me that one thing we have to do is to go one step further and decide if it is not about time that we had in Canada legislation governing these small loans companies and making certain that they make full disclosure to the public not just of the amount of interest they are charging but actual information as to the principles behind these companies and the degree of soundness of these organizations. It may well be that laws and regulations will have to be passed to set up controls over these lending institutions.

Various organizations in Canada are already requesting such action. In the *Financial Post* of February 16 last an article appears entitled "10%ers Under Squeeze". This article is devoted to the problem created in Canada by the new lending institutions that have been set up which are not subject either to provincial or federal regulation because they lend money on notes running for less than 365 days. The trust companies and the various banking institutions have called for effective legislation at the federal and provincial levels that will provide protection for the public where none now exists. The article goes on, of course, to outline the constitutional problems involved in that under the British North America Act the federal government has power over interests and banking but the provinces have legislative power over matters of property and points out that there seems to be an area here where some co-operation is going to be required.

The particular article in question states that the public have no need at the present time of distinguishing between the type of institution which is subject to government inspection and audit, and those that are not so regulated. This particular article actually suggest the creation of a federal financial institution's act covering all of these types of lending institutions and regulating their profits and their method of operation in the Canadian economy.

An article in the *Financial Post* of March 16 discusses a particular firm of this character and recites how it makes no disclosures at all as to its financial worth, as to earnings or the make-up of its organization. Yet, this firm advertises widely throughout the province of Ontario, borrowing money and guaranteeing to pay it back. The borrower has no idea as to the nature of the institution or whether it, in fact, has assets of substance with which to carry out its obligations.

There are many such articles, as I have said. It is interesting to note, for example, that in the United Kingdom, the House of Commons has actually passed and is awaiting third reading, a bill called the protection of depositors bill. This bill is designed to give protection to those people who place deposits with these types of financial institutions I have just mentioned. An article in the *Financial Post* of March 2, outlines in great detail the limitations that are placed on these various institutions.

As I have said, Mr. Speaker, there are many articles of this kind suggesting that institutions in Canada that are engaged in the small loans business—many of them of course are quite reputable—are fleecing the public. They do not make disclosures of the actual amounts of interest they are charging, nor do they tell the public the nature of their own assets and liabilities so that one can judge whether they are sound enough to risk one's money.

I do not want to speak at length on this subject, Mr. Speaker, except to suggest, after looking through the order paper, there seems to be very considerable interest shown by all members in the house in this particular field of consumer credit and small loans, the financing of appliances and other matters of that sort. It seems to me that rather than have these bills come up continually during the session to be debated for one hour, it

might be possible to devise some method of referring all the bills, holus-bolus, to the standing committee. If this could be done, all these matters could be considered at one time. Witnesses could be heard, the presidents of these various loan companies could have the pleasure of appearing before us, speaking themselves and being cross-examined, the various local officers of the crown could give us their opinions as to the necessity for legislation covering these institutions. Perhaps the law officers could guide us concerning the appropriate type of legislation to introduce. I have mentioned to some of my friends across the way that in the one hour we have for private bills we obviously cannot debate in any great detail the necessity or desirability of entering into this whole field.

However, it does seem to me that there is a great need for action in this regard. There is a vacuum in our legislation at the present time. There is a widespread opinion among private members in the house that this field should be investigated. I think instead of talking each bill out as it comes up, some method could be found by which to refer this whole matter of consumer credit and financing to a committee of the house, where all members could discuss it. Perhaps a composite bill could be drafted which would embrace the ideas of all private members' bills now before the house. Then, at some later time we could bring back to the house a composite bill which would protect consumers in the purchases they make, a bill that would allow the people of Canada to know where they stand with these companies, a bill that would force these companies to lay all their cards before the committee. I feel that if we could do this at this or some future session, we would be rendering a service to the people of Canada as a whole.

Mr. John R. Matheson (Leeds): In rising to join in this debate, I wish to commend the hon. member for Danforth (Mr. Scott) for introducing this bill. It is timely. As he has indicated, interest in this subject is fashionable. When one looks at the order paper, he finds an extraordinary percentage of private members' bills concerning this general subject. I have noticed the following bills: Bills Nos. C-6; C-9; C-10; C-12; C-14; C-23; C-31; C-33; C-43; C-45; C-55, and C-62. These private members' bills come from all corners of the house and the sponsors of them represent the four political parties here, as well as all parts of Canada.

Most of these bills have much in common. I do not believe this is an easy subject with which to deal. The hon. member for Danforth has referred to a very difficult subject, a subject we have to consider in conjunction with a good deal of other legislation within federal jurisdiction. For example, when I was looking through the index I noticed the Interest Act, chapter 156; the Small Loans Act, chapter 251; the Loan Companies Act, chapter 170; the Bank Act, chapter 12 of the revised statutes of 1952. Then, there is the Co-operative Credit Association Act, 1952-53, chapter 28, and the Bills of Exchange Act, chapter 15 of the Revised Statutes of Canada, 1952. All these measures have a bearing on this subject. I am reminded of the contribution that was made to the debate last night by the hon. member for Edmonton West (Mr. Lambert) when he spoke on another private bill. The hon. member, speaking not only from experience on the treasury benches but from experience in business and law, indicated the broad ramifications that there are to some of these bills directed to other legislation.

Of course, these private bills would not be here if the Canadian public was not concerned about consumer credit and its ramifications. I think the subject is even more timely from the standpoint of the province of Ontario because of a case of historic interest in connection with the unconscionable transactions relief act. The case is that of Re Sampson and Barfried Enterprises Ltd. The decision is a decision of the court of appeal and the court was composed of Chief Justice Porter, and Justices MacKay, Schroeder, Kelly and McLennan. The hearing was on October 15, 1962, and I think the decision may have a bearing on this whole subject. I should like just to read the headnote:

> "Interest" as a class of subject within exclusive federal competence under Section 91(19) of the B.N.A. Act is a precise and unambiguous term, and in the absence of any contrary indication should be expounded in its natural and ordinary sense. It is not restricted to compensation determinable by application of a rate per centum to the principal amount of a loan, but covers compensation for the use of money by way of a fixed sum whether denominated a bonus, discount or premium, provided it is referable to principal money or to an obligation to pay money.

Any member who is interested in this particular aspect of the law should refer to it. What it does indicate is that the Ontario act upon which we have relied for some years, the unconscionable transactions relief act, revised statutes of Ontario, 1960, chapter 410, is ultra vires.

That means therefore we are compelled to address ourselves to the problem, not only because of current business and financial conditions in the country, but certainly in Ontario because the remedies upon which we have been accustomed to rely are no longer there. I think some of us are somewhat surprised as to the breadth of that decision, because in

law school we were of the view that too large federal dependence on the interest power might not be constitutional. We tended to think that property and service rights were the exclusive property of the province. This case is not in dispute because apparently this decision did not go to the Supreme Court of Canada. Unfortunately we are without a supreme decision on this matter, but we must take into account the likelihood that the federal parliament is responsible in this area more than we had thought.

As the hon. member for Danforth (Mr. Scott) has indicated, consumer credit legislation is of interest not only to Canada but throughout the world. In fact, Mr. Speaker, I was interested to read the history of this kind of legislation in the United States, where there has been developed a large body of experience in small loans and sales on a credit basis. It would appear there are essentially two basic philosophies with respect to control of credit sales.

One philosophy is that the most important thing is to compel full disclosure of essential facts concerning an instalment credit transaction, it being felt that the consumer, being able to recognize the difference in cost and services and relying on the competitive processes of supply and demand, will be able to act wisely; but there is another view which seems to come into a great deal of proposed legislation in different places, the view that statutory limitations on financial charges should be imposed, and in this bill the hon. member has proposed both. I personally would feel that the second is somewhat less commendable than the first.

I know that the hon. member who proposed this bill is a graduate in honour economics, and I think he would agree with me that legislation cannot increase a volume of money supply to be borrowed, and we can only accomplish so much by setting statutory limits. What really do we accomplish by setting an arbitrary limit of 10 per cent beyond which rates will not be pushed? Certainly it does not create any more money available for credit. Perhaps the philosophy behind this is that there should not be anything lent above that figure. I do not care to express any particular view on this matter, but when I looked at the private members' bills filed, I noticed that in many of the bills proposed here there is concentration on the disclosure aspect, but not generally the same emphasis as in this bill on the establishment of a rate.

Only recently an important bill was introduced in the other place by Senator David Croll, which attracted considerable public attention. That bill, which of course is familiar to my hon. friend from Danforth, Bill S-6, is an act to make provision for the disclosure of information with respect to finance charges. It was read the first time on Wednesday, May 22, 1963, and it pretty much follows models suggested in a number of foreign jurisdictions.

In the United States congressional committees have been concerned about this problem. Actually there, this is congressional concern which goes back to N.R.A. days under Roosevelt, and only recently President Kennedy has placed a great deal of emphasis on it again. As we know, the champion of this legislation in the United States has been Senator Paul Douglas and he has done a great deal to acquaint not only Americans but Canadians as well with the problem of credit legislation.

We find that with the introduction of this kind of legislation there are, of course, lobbies against it. This is something we would expect. One of the objections raised is that the mechanics of setting out rates is not nearly as easy as would appear in the simple language of the bill presently before us, which asks that the interest charge would be indicated. I have looked up an article in the *Canadian Chartered Accountant* of July 1962 which compares the accounting techniques for finance charges by several sales or finance companies. This is an article by an expert in the field, L. O. Morley, a chartered accountant, and he indicates some of the mathematics involved in various computations.

I think this is a pretty important question that should be considered by the appropriate committee of the house, and perhaps the suggestion made by the hon. member might be studied in the light of the experience of the American congressional committees. Certainly when we determine the methods by which financial charges are estimated we find there are a great many techniques—the cash method, the straight line method, the sum of the digits method, the average interest method and the use of arbitrary percentage. In fact as this article points out:

> Such companies use none of the recognized methods but calculate the unearned balance of the finance charges by applying an arbitrary percentage to the total of instalment notes receivable at the balance sheet date.

Anybody who has been practising law knows how terribly difficult it is for an ordinary person to calculate what kind of charges there are, and of course this greatly adds to the complexity of good legislation on the subject.

I would just like to indicate that a bill which will be considered in due course, Bill C-31, introduced by the hon. member for Rosthern (Mr. Nasserden) is exactly the same as the bill before us, except that it adds a criminal penalty, whereas the bill introduced by the hon. member for Danforth (Mr. Scott)

provides a civil penalty in the sense that there will result a loss of the finance charges to the lender who fails to comply with the conditions set out in the bill.

Bill C-62, introduced by the hon. member for Greenwood (Mr. Brewin) purports to fill a gap which is created by the Ontario decision to which I have referred which declared ultra vires the unconscionable transactions relief act of Ontario; so in a sense that hon. member is trying to do almost the same thing. The hon. member for Timiskaming (Mr. Peters), who is an experienced member of the house proposes in Bill C-33 to amend the Bills of Exchange Act by limiting the negotiability of a bill of exchange given on an instalment purchase contract, and the hon. member for Gatineau (Mr. Leduc) in Bill C-55 would appear to be limiting the interest, defined broadly, to 12 per cent. The hon. member for Roberval (Mr. Gauthier) in Bill C-23 is trying to reduce the rate of interest or cost of a small loan from 2 per cent to 1 per cent per month.

Therefore I think the hon. member for Danforth (Mr. Scott) is quite correct when he indicates there is a wide interest in this and a resulting variety of attempts to do what would appear to be the same thing namely protect the consumer, particularly the unsophisticated consumer who cannot really know what he is paying. As we examine Bill C-10 we find this is a case of really doing something of the same, in this case limiting the interest charges to 12 per cent; and a number of other bills, Bill C-12 for example, which relates to bankruptcy, intends to incorporate some of the provisions of the Ontario unconscionable transactions relief act which, as I have indicated, has been ruled recently to be ultra vires.

So, we have this strange hodgepodge, of similar legislation coming within the purview of the federal parliament—the Small Loans Act, the Interest Act, the Loan Companies Act, the Bank Act, the Co-operative Credit Associations Act and the Bills of Exchange Act and I ask you, Mr. Speaker, is it possible for any hon. member in this maze —and particularly in this confusion created by the recent Ontario case which purports to enlarge the real authority of the federal parliament—is it possible for any private member to solve this whole messy problem by one bill?

The bill proposed by Senator Croll attracted a great deal of interest, as I am sure that the bill which is now being discussed will attract further interest. Surely it is only on the basis of the gathering together of a great many reactions with regard to what is being done in this house, in the other place, in the United States or Great Britain, where they have gone through very much this same problem since the end of world war II, that we can obtain the kind of information which is necessary in order to provide some sensible solution to the whole problem.

I feel, frankly, Mr. Speaker, that there ought to be an attempted consolidation in respect of a number of these interrelated acts. I do not understand how a lawyer today can give good advice when there are so many bills in the federal library and the provincial libraries which he has to consider. How can he possibly look up all the acts that relate to these important subjects?

The reactions to the Croll bill, which are fairly recent, show that there was almost universal support for the general principles of the bill. The house may recall that the Croll bill did not limit the percentage rate—I think he was perhaps wise in that—but it compelled disclosure. A number of economic studies that have been conducted in the United States seem to indicate that one of the advantages of compelling a clearcut statement of rate of interest charged is that it permits better competition to prevail. It does not limit moneys; it seems to increase moneys. One of the factors that tends to break down competition, I am told by some of these studies, is evidenced when the consumer was not in a position to shop around and make comparisons. I think that is perhaps the most valuable part of the hon. member's bill, the fact that there would be disclosure of the interest rate. How it should be done, I am sure I am not clever enough to suggest. As I have said, I have read these articles by chartered accountants who have made lifetime studies of this subject, and I know it is a very sophisticated subject and one which is going to call for the best ability that we have in our public service and among the hon. members of this house.

I agree with my hon. friend that this is the kind of legislation that could usefully be brought before our banking and commerce committee. I do not think this is a case of a witch hunt. I am quite sure there are many finance companies that are simply in business in a competitive way and are doing the best they can to give good service. At the same time I am satisfied that there are many sales of appliances where people do not know what is happening and are shocked when they ultimately learn what they have paid for a product. The Croll bill brought reactions from some people who had paid considerably more in interest than they had for the original appliances. This situation has became more serious over many years. Surely we must recognize that this situation prevails. Our hon. friends in the Social Credit party talk

about the dead hand of debt and the heavy anchor of debt upon people in our economy. We agree on this important fact, that debt can be a terrible drag; it can be a drag which makes consumers in Canada feel unable to go out and purchase those things which they need now because they are still paying for something which they used up several years before.

Of course, Mr. Speaker, we recognize that we cannot just cure this condition by passing a bill, but I think the hon. member is right in saying that a good bill at this time is one which will ensure more orderly consumer financing. But it has to be tied in, as the hon. member for Edmonton West (Mr. Lambert) suggested last night, with other legislation and business practice generally. This is important. Looking generally over the whole list of private members' bills, it seems to me that in broad terms there are two great focuses of interest and attention. The most important is—

The Acting Speaker (Mr. Batten): Order. I apologize for interrupting the hon. member but I have to advise him that the time allotted to him has expired.

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I think the provisions of the bill now before us describe, as has already been said, a situation that has been concerning a great many hon. members of this house and of the other place for a number of years. I do not completely agree with all the provisions of this bill. However, I think it is well that it was introduced at this time so we may have a discussion respecting the whole matter of consumer credit, and so on. The hon. member mentioned that there has been a tremendous expansion in the amount of consumer credit during the past four years. I think the mover of the bill suggested that a recent survey showed there was something like $4 billion outstanding in consumer credit.

I think all hon. members will agree that if one looks around the country today he sees that there has been a tremendous proliferation, if I may call it that, of finance companies. Of course, when any phase or aspect of business expands rapidly it is usually because it is lucrative. I do suggest, however, that unless we re-examine some of the reasons which have led us into this situation, even the passing of this bill and perhaps several others which would offer some form of protection to the consumer would not solve the problem. It may, in fact, create more problems than it solves.

The Right Hon. Mackenzie King, one time leader of the party that is in power today, once said that usury, once in control, will wreck any nation. I am wondering, because of the tremendous expansion of consumer credit and the concern expressed by so many hon. members by reason of there being so many bills of this type before us this session, whether we are not rapidly coming to the situation when we should take these words of wisdom into account and try to do something about it. There are dozens of cases known to each hon. member of this house where consumer credit and instalment buying of one kind and another have reached a point of diminishing return, a point of diminishing advantage, and in many cases individuals are in real difficulty because of the expansion of consumer credit.

Therefore I think the importance of having this debate this afternoon is that we can go back and make a brief examination of the factors leading up to the situation which we find today. I would suggest that we go back perhaps as far as 1939 or 1940 when the war started. This period was right at the end of what was then called a depression. They refer to these things as recessions now, but at least from that date up until the present time we have seen perhaps both ends of the spectrum of recession, depression, buoyancy, and so on. I think it is fair and safe to say that during the war there was a shortage of consumer goods and in fact there was a greater amount of purchasing power being distributed, through wages and profits, to the people of Canada than there were consumer goods available for purchase. Because of this there was a build up of savings—compulsory savings in some cases, but neverthless, savings, and more purchasing power going out than there were goods to be purchased. From 1946 to 1949 I suggest this consumer credit problem did not intrude itself and there was general prosperity throughout the country because those savings which had been accumulated during the war years were becoming active due to a greater supply of goods and services.

In 1949 there was another minor or major war effort, certainly not on the same scale as the 1939-1945 crisis, but again a large part of Canadian industry was put to work to produce war equipment. Wages and so on were being poured out and distributed into the economy for the production of something which never reached the consumer market. Here we had another expansion of purchasing power in respect of the production of goods which never did get on to the market. Along with this, from 1946 to 1955, there was also a tremendous expansion of industry all over Canada. Again, as long as this was going on, wages and earnings of one kind or another were being distributed to the people which, in turn, became purchasing power for something they were not bound to repay

immediately. It follows, of course, that the prices of goods would eventually contain a portion of the capital which had been necessary to bring about this industrial expansion in the first place. But as long as there was more money going out than was recovered in the prices of the goods being produced there was enough purchasing power, without the expansion of the consumer credit, to get the nation moving in reasonable prosperity, free from some of the problems we are now facing.

In 1955, or perhaps it was a few months before that, another phase began. Instalment buying and consumer credit began on a scale much greater than ever before. I think that by far the greatest proportion of those $4 billions which my hon. friend suggested just now as being outstanding as credit has arisen since 1955 or thereabouts. I believe it is also fair to suggest that this expansion in consumer credit is mortgaging our future income in order to pay for things which we as a nation have already produced. I think we can add to those $4 billion in consumer credit a large part of the expansion under C.M.H.C. and other agencies which do not show up as a consumer credit. This emphasizes the need to take a long, hard look at our financial and monetary system to see whether we cannot make some modification which would distribute fresh purchasing power through the Canadian people so that we, as a people, could collectively buy back those goods and services which we have produced without mortgaging our income for 20 years into the future. To implement the provisions of this bill, for example, to limit the amount of interest to 10 per cent, will not be effective unless we can find some way of seeing that purchasing power is distributed so that we can buy the things that industry produces.

I agree with those clauses of the bill which call for full disclosure of interest and other charges. I approve, also of some of the penalties provided for failing to make such disclosure. I feel, however, that if we were to accept this figure of 10 per cent per annum as the maximum rate of interest which could be charged—and even that is too high—the result might be the closing down of some of the consumer credit facilities which have been built up. This, in turn, could seriously affect purchases and slow down our industries still further. Thus, a very difficult problem has been raised by the sponsor of this bill, and I do not think the proposals made in this legislation are the solution. However, I do think that we as a parliament should seriously consider some modification in our monetary system to ensure that we do not arrive at our present situation again, and so that we may rectify the situation in which we find ourselves at the present time.

Mr. D. G. Hahn (Broadview): I do not intend, Mr. Speaker, to dwell at great length on this bill but I would like to say a few words about it.

First of all, I think there is no doubt that there is a great need for a serious study of this question. The fact that there are so many bills on the order paper on the subject, and the fact that so many people outside this house are concerned about consumer credit indicates clearly that there is need for something to be done in this field. In the second place, as the hon. member for Leeds (Mr. Matheson) has indicated, the existing legislation in this field is overlapping.

As a layman trying to read through these books, I find the situation confusing. This is the second area of need—to straighten out and simplify the legislation which is already on the statute books. We have the Small Loans Act, the Interest Act, the Bank Act, a Loan Companies Act and an act involving unconscionable transactions. Where do these things fit together? It is difficult for the average person, the average consumer, to sort them all out. The fact is that there is great interest being shown on the subject on the one hand and confusion in the legislation on the other, which means that something must be done. I should like to confine my brief remarks to suggesting what might be done.

I do not want to look at the legislation. I want to think for a moment about what we are trying to achieve by this legislation, because we must do that, first of all, before we attempt to draft words. It is obvious that one basic problem exists, namely that the ordinary consumer in this country when he enters into a contract involving some form of interest payment does not know what he is buying. He has no idea what the interest rates are. In some instances, consumers pay too much. They have no means of comparing one rate against another. Thus, I think it is clear that the first, the fundamental thing you must do, is arrive at legislation which will provide the consumer with facts, so that he may evaluate a contract and know what he is paying.

Having listened to the hon. member for Leeds (Mr. Matheson) I realize it is very difficult to state in concise terms just what the interest is. You can take a specific contract involving certain payments and get several accountants to look at it, and eventually come up with calculations which show the interest rate which applies to that contract.

This is a difficulty we will somehow have to resolve. Somehow we have to provide legislation so that first and foremost people

know what they are buying and what the interest rates are. Then after that we have to look very carefully at whether or not we want to go beyond that step, whether or not we want to limit the interest chargeable. Again, I think we have reached the point that some people are unsophisticated in these matters, look at the interest, see what they are buying, and perhaps compare one contract against another which has the interest clearly stated. It still may not mean a great deal to them; and perhaps there is a point up to which we should provide protection by giving a statutory limitation to the interest to be charged. This is now done to some degree in the Small Loans Act with small loans.

Beyond that point, for business in general to try and restrict or limit the amount of interest which can be charged is wrong. I think there are people in business in this country who may need money for a special purpose for a relatively short term, perhaps under conditions of pretty high risk, and who are quite prepared to pay what to us is an abnormally high interest rate for the use of money. Should we legislate against their ability to do that? I do not think we should. I think if they know what they are doing and are prepared to do it, then in a free enterprise society we must allow an individual the right to make that sort of decision. When that point is reached we assume that the person entering into the contract knows what he is doing. At this point he has to fend for himself and make up his own mind, based on the facts and his need as he sees it. Below this point we must provide some sort of protection. I think this is an area which requires a lot of thought, care and study before we rush through paper legislation which may be restrictive in areas in which it should not.

In winding up my remarks I should like to say that a need exists here. A study must be made. I hope this problem will be studied properly so that all the legislation is looked at. I hope it will be studied from the point of view of trying to put on paper some legislation which meets the kind of case I have tried to set out. I think those hon. members who have put this type of bill on the order paper have done us all a service by bringing this problem to the surface and letting it be discussed, and as a result of this I hope we will start to get some serious study started on the matter.

Mr. Bert Leboe (Cariboo): Mr. Speaker, I just want to mention one or two matters in connection with this bill. I agree with what the preceding speakers have said with regard to the need for some definite research into this matter. What I should like to bring to the attention of the house is the relationship between the banking institutions we have today and the lending institutions. In this regard it has come to light that a line of credit established by lending institutions, such as finance companies, might be very large, and they may not be using that line of credit. An individual may go to a bank, ask for credit, and be turned down on the basis of a tight money policy. The very money that this individual should get from his banker is not available to him because of that tight money policy. Yet the lending institution or finance corporation may, through its very extensive line of credit, borrow the money from the bank and lend it to the individual. In this way, whereas the individual would have got his money at 6 per cent interest he is forced to pay finance company rates up to 24 per cent. Mr. Speaker, that is all I want to say because I do not want to talk the bill out.

Some hon. Members: Question.

(Translation):

Mr. J. J. Greene (Renfrew South): Mr. Speaker, I have been designated to talk from 5.40 to 6 o'clock on Friday afternoons. I am afraid that after my death my epitaph will read: He did little in the house, but at 5.40 on Friday afternoons he was always there.

Yesterday, Mr. Speaker, a bill amending the Bankruptcy Act was studied here. It was the first time in several years that a public bill from a private member was passed in the hour reserved for public bills.

This morning when I bought a newspaper I thought that on the front page I would find a piece of news in respect to this bill being passed in the house, but instead of that there was a story about an affair in the private life of a member of the British parliament.

Mr. Speaker, I am very ambitious. If I were concerned with private bills instead of public bills, I would probably be better known in this house and newspapers would pay a great deal of attention to the work I would be doing here.

On the other hand, I feel that newspapers ought to show greater interest in the activities of the Canadian parliament than in what is going on in the British parliament. Then an ambitious member as I am might be inclined to do more for the people.

Mr. Speaker, I wish to say that if that bill were adopted, hon. Senator Croll's bill—

(Text):

The Acting Speaker (Mr. Batten): Order. It being six o'clock I have to advise the house that the hour for the consideration of private members' business has expired.

Mr. Winch: One more hatchet job to your discredit.

BUSINESS OF THE HOUSE

Mr. Churchill: I should like to ask the house leader two questions: first, would he let us know what the proposed order of business is for next week, if possible; second, can he tell us whether the budget debate will follow throughout the week after next?

Mr. Pickersgill: Mr. Speaker, to deal with the second question first I hope to have a very few minutes conversation with the hon. gentleman and the other hon. gentlemen concerned with arranging the business of the house about that very subject, and if the hon. gentleman would be agreeable I would rather postpone an answer to that question until Monday, till we have had a chance to confer.

As to the first question, I would hope it might be possible to get the names from the whips in time to take the motion for the composition of the committee on defence which was agreed to today. If it could be generally agreed that it could be put through right away on motions on Monday without any discussion, as is usual in these cases, we should like to do that so that the committee could organize itself and start work right away.

The first item of government business would be the continuation of the debate which was begun before five o'clock today on the resolution preceding the department of industry bill, and if we have the same co-operation as we had today on the economic council resolution that should not take too long.

The next resolution we would call would be the resolution preceding the amendment to the Department of Agriculture Act. In the event that is agreed to by the house and that bill given first reading, we would then begin debate on the economic council. But regardless of what progress has been made on Monday the government would like on Tuesday, unless there is really strong objection to it, to begin debate on the resolution preceding the municipal development and loan fund bill. This is a measure that we are very anxious to get through as quickly as possible because of its employment creating implications and the government would have called it earlier if the Minister of Finance had not been preoccupied with the budget. However, he believes he can give some time to it on Tuesday and we would like to go ahead with it on that day, regardless of what progress has been made elsewhere, until the resolution stage has been completed, and then go on after one day's interval with the bill if it comes at an opportune time during the course of the week.

We would also like to make progress on the other two bills respecting a department of industry and the Department of Agriculture during the course of the week and, of course, the economic council bill. All these bills and resolutions will be ready and we will try to arrange them as conveniently as possible right up until the budget comes on Thursday evening. I would prefer not to say what will be done on Friday until I have the private discussions I mentioned earlier.

If it should be possible at some stage during the week to get agreement to set up the committee on procedure and if hon. members thought this could be done without having any debate, we would be very happy, as soon as we got the names, to have the motion put through any day. But if it is going to require a debate I think it is our view that would have to be deferred until some of the urgent government measures have been dealt with.

Mr. Knowles: Mr. Speaker, a few days ago when the minister was indicating possible legislation he included in the list the amending legislation respecting the Atlantic development board. I am sure he has not forgotten it. Is this not included in this general economic legislation?

Mr. Pickersgill: I had not forgotten it, and as I am pretty sure the minister who is sponsoring the bill will be in the house I will be very glad to bring on the legislation at the earliest possible moment. It is not possible to do this on Monday because the hon. gentleman opposite who particularly wants to speak to it has to be away for very good reasons on that day. It is not desirable on Tuesday because we are very anxious to get on with the municipal loan legislation, but I do not exclude it from the possibilities later in the week, if we make really good progress. I can assure the hon. gentleman that we are very anxious to get on with it.

It being five minutes after six o'clock the house adjourned, without question put, pursuant to standing order.

APPENDIX

LETTER AND ANNEX RESPECTING JAPANESE QUOTAS

Embassy of Japan,
Room 1005, Fuller Building,
75 Albert Street,
Ottawa 4, Ontario.
June 7, 1963.

The Honourable Walter L. Gordon,
Minister of Finance,
Confederation Building,
Ottawa, Ontario.

Dear Sir:

I wish to refer to the annual consultation between the Canadian government and this embassy on voluntary controls to be applied by Japan on the export of certain products to Canada in respect of the year 1963.

I wish to inform you that, as a result of the consultations, my government has decided to apply in respect of the 1963 calendar year voluntary export quotas as set forth in the annex to this letter.

Where quotas are allocated to Japanese exporters, the allocations will be arranged so that shipments will be spread as evenly as possible over the year.

I wish to take this opportunity to reiterate that these voluntary restraints are undertaken by the Japanese government of its own accord in order to conform with its established policy to effect gradual increases of Japanese exports on an orderly basis with a view to avoiding undue injury to the domestic industries of importing countries.

Furthermore, I should like to remind you that the Japanese government attaches the utmost importance to avoiding a situation where third countries are able to expand their sales to Canada of the products placed under Japanese export control by virtue of the fact that Japan has undertaken to limit her shipments. Should it transpire that such diversion of trade is taking place, I would hope your government would be willing to enter into consultation with my government at any time my government believes that developments warrant it in order to protect Japan's legitimate interests.

In communicating this information to you, I assume that in respect of the products listed in the annex, for which firm quantities are specified, Canada will not, during the year 1963, invoke the provisions of article XIX of the GATT or those of the exchange of letters annexed to the agreement on commerce of 1954 between Canada and Japan.

I take this opportunity to renew my firm belief that by applying these self-restraining measures we help to pave the way for further expansion of two way trade on an orderly basis, to the mutual benefit of both countries.

Yours sincerely,
(signed)
Nobuhiko Ushiba
Ambassador

ANNEX

Voluntary quotas on certain Japanese exports to Canada for the year 1963

Item	Fibre	Quantity dozen
Blouses	Cotton	193,000
	Spun rayon	124,000
	Synthetic	15,000
		332,000

Note: The cotton and spun rayon sub-quotas may individually be increased by not more than 10 per cent, and the synthetic sub-quotas by not more than 25 per cent, by transfer among the three sub-quotas. However, total shipments under the three sub-quotas will not exceed 332,000 dozen.

Item	Fibre	Quantity dozen
Shirts (except cotton dress and work shirts)	Cotton (Sport shirts only)	216,000
	Spun rayon (all types of shirts)	177,000
	Synthetic (all types of shirts)	38,000
		431,000

Note: The cotton and spun rayon sub-quotas may individually be increased by not more than 10 per cent, and the synthetic sub-quota by not more than 25 per cent, by transfer among the three sub-quotas. However, total shipments under the three sub-quotas will not exceed 431,000 dozen.

Item	Fibre	Quantity dozen
Dress shirts and work shirts	Cotton	96,000
Trousers and outer shorts	Cotton	90,000
	Spun rayon	131,000
	Synthetic	11,000
		232,000

Note: The cotton and spun rayon sub-quotas may individually be increased by not more than 10 per cent, and the synthetic sub-quota by not more than 25 per cent, by transfer among the three sub-quotas. However, total shipments under the three sub-quotas will not exceed 232,000 dozen.

Item	Fibre	Quantity dozen
Other garments in the coats and slacks group: outer wear (includes suits, coats, raincoats, jackets, jumpers, skirts, etc.)	Cotton	209,000
	Spun rayon and synthetic	85,000
		294,000

Note: Either of the two sub-quotas may be increased by not more than 10 per cent by transfer from the other sub-quota. Total shipments will not exceed 294,000 dozen.

Item	Fibre	Quantity dozen
Other garments in the coats and slacks group: inner wear (includes nightwear, woven underwear, etc.)	Cotton	56,000
	Spun rayon and synthetic	21,000
		77,000

Note: Either of the two sub-quotas may be increased by not more than 10 per cent by transfer from the other sub-quota. Total shipments will not exceed 77,000 dozen.

Item	Fibre	Quantity dozen
T-shirts and other knitted shirts	Cotton	285,000
	Spun rayon and synthetic	129,000
		414,000

Note: Either of the two sub-quotas may be increased by not more than 10 per cent by transfer from the other sub-quota. Total shipments will not exceed 414,000 dozen.

Item	Fibre	Quantity dozen
Other knitted wear	Cotton	100,000
	Spun rayon and synthetic	108,000
		208,000

Note: Either of the two sub-quotas may be increased by not more than 10 per cent by transfer from the other sub-quota. Total shipments will not exceed 208,000 dozen.

Elastic braid, all textile fibres, 400,000 pounds; elastic webbing, woven, all textile fibres, 433,800 pounds; pillow cases, cotton, 193,000 dozen; fabrics, cotton, 28,200,000 square yards.

Note: 1. Within the over-all quota for cotton fabrics dyed corduroy will be limited to 1,740,000 square yards.

2. The Japanese government will use its best endeavours with Japanese producers and exporters so that within the quota the proportion of fabric in the grey, gingham and velveteen will not be less than in the previous two years.

Sheets, cotton, 686,000 pieces; bedspreads, all textile fibres, 630,000 pieces; dish towels, all textile fibres, 400,000 dozen; ladies' dress gloves, sewn, all textile fibres, 322,000 dozen.

Ribbons of the following types:

Faille; lingerie-grosgrain: woven-edge satin; corded ribbons; seam-binding, spun rayon and synthetic, 145,000 pounds.

Note: Corded ribbon of all types is to be subject to control within this quota figure, and it is to be noted that the following type of corded ribbon, which has been used by Canadian distillers, is specifically included: "Corded ribbon, approximately ¼" wide, made of man-made fibres, with black edges and gold centre, whether shipped in various cut lengths or in continuous rolls."

Fabrics, nylon, 2,680,000 square yards.

Explanatory Notes

1. All of the above quotas apply to total exports in the twelve month period ending December 31, 1963.

2. In the above table "synthetic" includes rayon filament and all other man-made fibres except spun rayon. See also note 4 relating to mixtures of fibres.

3. In connection with the 10 per cent swing provision, and also more generally, the Japanese government will use its best endeavour to urge Japanese producers and exporters so that there will be no undue concentration on any item within the quota categories.

4. The following is a table of criteria used by the government of Japan to distinguish the quota categories of made-up textiles which are a mixture of various fibre components. The basic principle for the criteria is chief value, converted into percentage of fibre content by weight, so that the percentages vary extensively.

Defined as	Fibre Composition	Percentage of Fibre Content (By Weight)
Cotton	Cotton and silk	88% and over cotton
	Cotton and wool	67% and over cotton
	Cotton and rayon filament	40% and over cotton
	Cotton and spun rayon	30% and over cotton
	Cotton and synthetic fibre	51% and over cotton
Spun rayon	Spun rayon and wool	91% and over spun rayon
	Spun rayon and silk	91% and over spun rayon
	Spun rayon and jute, flax	71% and over spun rayon
	Spun rayon and synthetic fibre	71% and over spun rayon
	Spun rayon and cotton	71% and over spun rayon
	Spun rayon and rayon filament	Regardless of percentage fibre content
Rayon filament	Rayon filament and cotton	61% and over rayon filament
	Rayon filament and synthetic fibre	51% and over rayon filament
Synthetic fibre	Synthetic fibre and rayon filament	50% and over synthetic fibre
	Synthetic fibre, jute, flax	50% and over synthetic fibre
	Synthetic fibre and cotton	50% and over synthetic fibre
	Synthetic fibre and spun rayon	30% and over synthetic fibre

Other Secondary Textile Products on which Voluntary Controls are Maintained

1. Woollen sweaters, pullovers and cardigans

2. Woollen knitted gloves and mittens

3. Paper caps, paper hats and hat bodies

4. Silk and silk rayon mixed scarves and mufflers

5. Rayon gloves and mittens, excluding ladies' dress gloves, sewn

6. Bed sheets other than cotton

7. Pillow cases other than cotton

8. Woollen coats and slacks

e.g. Suits, trousers, skirts, dresses, coats, etc.

Note: In respect of these items it is the intention of the Japanese government to establish export quotas for the year 1963 which will provide for moderate and orderly increases on the basis of actual shipments during the four preceding years.

Rubber Footwear

The quotas for the twelve month period ending December 31, 1963, are as follows:

Waterproof footwear, 1,960,000 pairs; canvas footwear, 2,550,000 pairs.

Note: 1. Waterproof footwear means waterproof vulcanized rubber footwear including footwear either of rubber sole or rubber-like sole with cloth upper, lined or unlined, and also one piece moulded plastic footwear, lined or unlined.

2. Canvas footwear means shoes with rubber soles or rubber-like soles, and with outer uppers of fabrics made of natural or man made fibres or outer uppers simulating such materials, excluding slippers and sandals.

Plywood

The quota for the twelve month period ending December 31, 1963, is 56.1 million square feet.

Transistor Radios

The quota for the twelve month period ending December 31, 1963, for radios with

3 or more transistors, including all types and combinations of such radios, is 420,000 sets.

Receiving Tubes for Radio and Television

The quota for the twelve month period ending December 31, 1963, is 2,835,000 units. The Canadian government has given the Japanese government a list of tube types in respect of which Canada relies upon imports rather than upon Canadian production. The types of tubes on this list will be free of quota control.

Polyester Buttons

The quota for the twelve month period ending December 31, 1963, is 1,250,000 gross. The quota applies to all sizes and types of polyester buttons.

Stainless Steel Table Flatware

The quota for the twelve month period ending December 31, 1963, is 760,000 dozen pieces. The quota applies to stainless steel table knives, forks and spoons of which the length is under 26 centimetres and of which the handles are made of metal.

HOUSE OF COMMONS

Monday, June 10, 1963

The house met at 2.30 p.m.

PRIVILEGE

MR. KNOWLES—RELATIONSHIP OF GOVERNMENT TO PARLIAMENT

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a question of privilege which relates to something that is the concern of all hon. members of parliament and to which the present government should give top priority, namely its relationship with parliament.

As hon. members know, I have several times during the course of this session sought to obtain information regarding the proposed legislation dealing with contributory or portable pensions. I have been told to contain myself, to be patient, because in due course the legislation would be presented to parliament.

Now, Mr. Speaker, in this morning's Toronto *Globe and Mail* there is a report of a speech made at Hamilton on Saturday by the Minister of National Health and Welfare in which the hon. lady is reported as having told the southern Ontario Liberal association that pension legislation would be introduced in this parliament, and in the course of her speech, as reported in the press, she gave fairly full details of that legislation. Some of the details are most welcome, but the point is that the parliament of Canada takes precedence over any party association.

I suggest that the Prime Minister should have a heart to heart talk with his cabinet ministers and tell them the facts of parliamentary life.

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, on the point of privilege raised by my hon. friend, may I say that while I would always welcome the opportunity for a heart to heart talk with the right hon. Prime Minister, it should not be necessary on this occasion. I share with my hon. friend the concern that announcements should first be made in parliament. However, I would like to tell him that the information given at that meeting is information which has been available to the public and is contained in Liberal party literature of 1962 and 1963, to which I refer my hon. friend.

Mr. Knowles: On the point of privilege, Mr. Speaker, may I point out that what counts so far as parliament is concerned is the legislation that is presented to us, and not what may have been in party literature.

[*Later:*]

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. Will notice of the government's legislation regarding contributory and portable pensions, an outline of which the hon. lady gave in a speech in Hamilton on Saturday, be placed on the order paper within the next few days?

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): Mr. Speaker, I can only say to the hon. gentleman that the limitation "within the next few days"—I assume he means by that one week—is so short that I cannot answer.

Mr. Knowles: Then may I ask if it will be placed on the order paper before the expiration of this government's first 60 days?

LABOUR CONDITIONS

STATEMENT RESPECTING EMPLOYMENT AND MANPOWER DEVELOPMENT PROGRAM

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I wish to make a statement on the major features of the employment and manpower development program of the government. This employment and manpower development program represents a balanced attack designed to reduce unemployment, promote manpower development and increase employment security particularly during the winter months. The government is convinced that we cannot continue to tolerate the excessively high levels of unemployment of recent years. Over the past five years unemployment has averaged 6.6 per cent of the labour force. During the winter the rate of unemployment has risen on the average to 10.1 per cent, while during the summer it has fallen to an average of 4.3 per cent of the labour force.

The stimulation of employment and the reduction of unemployment are major problems which the government is determined to tackle vigorously. To cope successfully with unemployment requires a variety of well integrated measures whose major objective is to step up our rate of economic

growth. This requires co-ordinated action on a wide front. An active employment and manpower development policy is an essential element of such a program. It is now widely recognized that the growth of our economy and the stimulation of employment are greatly facilitated by the improvement of the quality and skills of youth entering the labour force and on the adaptation of workers to constantly changing job requirements. The need for adaptation and retraining of our labour force is a consequence of a much stepped up rate of technological change in recent years. Disruptions in employment due to technological changes and seasonal fluctuations are of serious consequence for individual workers, their families, the industries of which they are members and the whole economy.

While some aspects of this employment and manpower development program are naturally related to measures introduced by the former government—and in this connection I wish to acknowledge the work of my predecessor—this program represents a new and distinctive approach. One of the new elements is the fact that the various measures are being put forward as a co-ordinated and balanced program rather than as a series of disconnected or separate efforts. In this way a more positive and vigorous attack can be mounted in co-operation with other federal and provincial government agencies, employer organizations, unions and all other groups in seeking solutions to the present employment and manpower problems facing us. This manpower program is designed to deal with unemployment, training and employment security.

The measures that will be introduced will deal with either one of these objectives or with all of them combined. Some of these measures will be of a short run nature; others are designed to deal with longer run problems. I shall now set forth briefly the steps that will be taken at this time in the implementation of this new employment and manpower development program.

1. Training of the unemployed.

In order to step up the training of unemployed workers of all ages the government will introduce an amendment to the Technical and Vocational Training Assistance Act to increase the contribution to the provinces of the cost of provincial training allowances to unemployed persons from 75 per cent to 90 per cent. At the present time we have the anomaly in this country of high unemployment and shortages of skills. By making a larger contribution to the provincial costs for providing training allowances for those unemployed workers who would benefit from training, the provinces will be able to release more funds to support additional training programs.

2. Training of employed workers.

To stimulate training in industry, the government will introduce an amendment to the Technical and Vocational Training Assistance Act to provide for an increase in the federal contribution toward the provincial costs of training in industry from 50 per cent to 75 per cent. This will be done in the case of programs of basic training for skill development, apprenticeship and the retraining of workers who may become subject to displacement as a result of technological and industrial changes.

3. Re-employment of older workers.

In order to assist older persons who have been unemployed for a long time, steps will be taken to encourage their re-entry into employment along with the provision of appropriate training or other programs. A further announcement on this point will be made in a few days.

4. Capital assistance for technical training facilities.

An amendment will be introduced to provide for the continuation of the 75 per cent federal contribution under the Technical and Vocational Training Assistance Act to capital expenditures incurred by the province on training facilities beyond March 31, 1963. The contribution at this 75 per cent level will be continued up to a specified total for each province. When provinces have reached this total level, the federal contribution will continue at 50 per cent until the expiry of the agreement. This will allow provinces to share in the provision for capital facilities to an equal extent and will at the same time give them more time to put these training facilities into place.

5. Technological change and manpower development.

To assist labour and management to meet the employment problems caused by technological and other industrial changes, a manpower consultative or development service will be set up in the Department of Labour. This service will help develop programs designed to promote greater employment security. Provision will also be made for financial assistance to employers and unions for research on manpower development in advance of technological changes. In addition, a re-employment incentive will be provided to employers and the provinces to help workers and their dependants displaced by industrial change.

6. Promotion of winter house building.

In order to stimulate employment in the construction of houses during the winter months, a winter house building incentive will be introduced. This incentive will consist of a direct payment of $500 to the first purchaser or owner of a house substantially built during the four winter months, December through March inclusive. This incentive will assist not only the purchasers of needed houses but will increase employment substantially during the winter months. It will also increase total employment through stimulating the housing and allied industries.

The program will be tried out during the coming winter. Its effects can then be evaluated in the light of the experience gained and the need for additional winter employment.

7. Supplementary federal government winter construction.

In order to create greater employment opportunities during the coming winter in designated areas, certain federal government construction projects for which funds are not now provided in the estimates will be brought forward.

8. Extension of municipal winter works incentive program.

The municipal winter works incentive program can be expected to do a more effective job in creating additional winter employment as a result of the municipal development loan fund which has already been announced.

Changes designed to increase further the effectiveness of the municipal works incentive program will also be made.

The ceiling on the federal incentive payment for buildings and major renovations will be increased from $50,000 to $100,000 to assist municipalities to plan the inclusion of larger buildings in the program.

The incentive payment will be increased from 50 per cent to 60 per cent of payroll expenditures for municipalities in designated areas to encourage a higher level of winter employment in those areas.

In recent years the municipal winter works incentive program has run over a period of seven and one half months. Even the Canadian winter does not last that long. This program was originally designed to concentrate additional employment in the winter months. The program this year will operate from November 1 to April 30 inclusive, in the full expectation that just as much or more work can be done to better effect in this shorter period of time.

To further this objective, the program is being announced at this early date so that municipalities will be enabled to advance their planning for next winter as much as possible.

9. Strengthening personnel resources.

The government will take steps to strengthen the personnel resources of the agencies responsible for the administration of these manpower programs. These include various branches of the Department of Labour and the national employment service. The role of the national employment service is of fundamental importance in the effective operation of the labour market and in administering many of the manpower programs of the Department of Labour in an integrated way. In addition, we know far too little about the real nature of many of the complex manpower problems facing us in these areas. We intend to investigate these problems in depth.

As hon. members will appreciate, this is a many sided program. It will stimulate employment particularly during the winter months when it is most needed. It will expand substantially the training of the unemployed. It will help raise the general educational level of employed workers, increase apprenticeship programs, promote the re-employment of older workers and provide training for those subject to displacement. It will encourage planning by labour and management in advance of technological change, and programs for greater employment security. It will enable the provinces to continue the capital program for training facilities by extending the 75 per cent federal contribution. It will provide for much needed staff resources to meet these objectives. Finally, it will provide for the development of a well co-ordinated, balanced, and active employment and manpower development program.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, the problem of unemployment is one that has had the attention of governments in the western world particularly during the last few years when, in consequence of automation, and so far as our own country is concerned a continuation of inclement winter conditions, unemployment has been a continuing source of difficulty and concern to successive governments.

In so far as the program which has been placed before the house by the Minister of Labour is concerned, I thank him for his reference to his predecessor, the former minister of labour. In the course of his concluding remarks he said that this would be the co-ordination, as it were, of various plans to meet this very important problem. I would

point out that a major portion of the co-ordination, outside of the housing plan, consists of an alteration of the percentage to be paid to the provinces, the increase in one case being, if I took it down correctly, from 75 per cent to 90 per cent in training unemployed, and in another from 50 per cent to 75 per cent in training employed workers. I would be interested to know, in view of the strong statements made by the Prime Minister during the election campaign, whether this is one sharing program which is going to be acceptable to each and all of the provinces, for after all it was said over and over again that the day of sharing programs was over. Instead of it being over, it is being increased in this case.

As far as training of men and women is concerned to meet the technological changes of today, we made very great advances in this regard. We made available some $300 million for technical education. I am glad that this is going to be continued. There is no real expansion in this regard. From what I have been able to ascertain from endeavouring to follow the hon. gentleman, as far as re-employment of old workers is concerned, and the manpower and consultant service, these plans were ours and were available to parliament from September last until February 5, but we were unable to get them before the house at the time owing to the attitude taken by the then opposition, the government of today. However, we welcome the conversion on the part of the government to the plan which we had available and ready for parliament.

In so far as the program to encourage house building in the winter is concerned, on its face it looks like quite an unusual plan in that it makes it possible for the first purchaser to receive a credit of $500 on the house. That plan, of course, is subject to one general criticism, namely that it is discriminatory. It only applies to those who will be purchasing houses to be proceeded with in the winter of 1963-64.

Generally I think the ideas as to housing will be acceptable. I am surprised that there has been a change on the part of the government from the attitude taken by the government which I had the honour to lead, in that the present government has stated in advance that there will be no extension beyond April 30 for the winter works program. I would say to the minister that while theoretically this sounds well, I think he will find in the light of experience that municipalities by about the first of March next will be placing before the government projects that they have in mind and will be asking for an extension, and I am sure that at that time the pressure on the government to extend the period of time will bring about a condition similar to that which prevailed under the former government.

Anything that can be done by way of correlation or novel legislation to meet the problem of unemployment will always receive the support of this party and the official opposition. I would point out that many of these plans have been placed before the people of the United States. I recall well the campaign of 1960 in the United States when there was a promise on the part of the Democratic party as to what they were going to do to meet the problem of unemployment. One just has to look at the record week by week to know that unemployment is not being decreased in the United States.

As far as our country is concerned, the best advice we had was that as a result of the policies we had placed on the statute books and the practices applied by the Department of Labour there would be a very substantial reduction in the rate of unemployment by this summer even compared with last summer, and that in the expanding economy which we left to the present government this problem was rapidly approaching the point where a solution to the difficulty would certainly be achieved. Anything that will bring about the acceleration of that hope will certainly receive our support.

It is impossible to refer one by one to the matters raised by the Minister of Labour, but I say this. Three of them are rehashes, two of them were available, and the other two are of doubtful application.

(Translation):

Mr. Marcel Lessard (Lake St. John): Mr. Speaker, the Minister of Labour's statement is most welcome in this part of the house. I found particularly interesting his first words to the effect that his government feels that unemployment should not be allowed to last any longer. I am very happy to hear the minister say this and I trust that he will get the full co-operation of his colleagues of the cabinet to help him find an answer to the unemployment problems.

He needs their co-operation because with the help of his own department only, he does not have every means at his disposal to solve this problem.

Mr. Speaker, the minister has informed the house of several steps he intends to take in order to stimulate the Canadian economy, increase man-power flexibility, promote improvements, and cope with automation in its various forms. I am convinced that all those things are good in themselves, but that they will only be efficient if we increase the number of available jobs in this country. And the only way to do this is to have more industries in Canada.

Mr. Speaker, the minister intends to promote the winter works program by offering a $500 premium to encourage the building of homes in winter. I shall not undertake a criticism of all those points at this stage, but I must say that it is with some reservations that we support those statements. I can assure him however that our group will take part in the debate when those formulas are set forth in the budget speech. We shall then have the opportunity of reviewing with him all the formulas he introduced today.

On the other hand, Mr. Speaker, I should like to call the government's attention to the minister's first words: "Unemployment can no longer be tolerated in Canada". I feel that since the beginning of the session, we have been losing valuable time discussing an issue which, everybody will agree, is important but which does not contribute anything to alleviate unemployment in Canada, that is national defence.

In my opinion, unemployment continues to be the main problem in this country. The situation is urgent throughout Canada. It is our duty to ensure the co-operation of all men of goodwill, of experts and technicians to fight this evil.

I come from Quebec, a province which is most particularly affected by the unemployment which prevails in Canada. Nearly 10 per cent of our labour force are out of work and all the people of my province have their eyes turned towards Ottawa to see what the federal government intends to do, through the provincial governments and especially through the Quebec government, to reduce the number of unemployed.

Reference was made earlier to a resolution aimed at setting up a municipal development fund. In my opinion, that is one of the first measures that the house should have considered, for I am convinced that it is the one that will be the most effective in the shortest time to decrease and fight unemployment in this country.

Now, Mr. Speaker, I say in the name of our group, that we shall co-operate fully with the Minister of Labour in the study of this resolution. I thank him for the statement he made today.

(Text):

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, we welcome the statement that has been made by the Minister of Labour. I think perhaps what we like best about it is the recognition implicit in the statement that there is no one simple answer to the problem of unemployment, but rather that it has to be attacked on every possible front. I am glad to note the number of steps the Minister of Labour has suggested, some of which are a continuation of policies proposed by previous governments and some of which are new. We earnestly hope that these and other steps will be taken and will be pursued so that we will really get rid of unemployment.

I am afraid that we in this corner of the house do not agree with the comment made by the Leader of the Opposition to the effect that under his government the solution of the unemployment problem had just about been achieved. As long as we have unemployment of the order of 5 per cent or 6 per cent or more of the working population there is no point in talking about the solution of the unemployment problem being just around the corner. We do not claim that we in this corner are alone in this, but we feel that we must keep working on this problem of unemployment until we lick it completely. They have come close to licking it in other countries, in countries with climates similar to ours, and we see no reason why we should not pursue this matter until we have unemployment down to something less than 1 per cent of our working population.

We agree with the statement made by the hon. member for Lake St. John as to the importance of the municipal development and loan fund which the present government has proposed. We were glad the Minister of Labour mentioned it in his remarks. We would emphasize the point that if the winter works program is to be as effective as it could be it will have to be dovetailed into the activities under the municipal development and loan fund. We all recognize that this is one of the places where we can most quickly get the economy rolling—it seems to me I have heard that phrase somewhere—in terms of providing employment for those who need it.

We welcome the various references to housing. It is still our view that both in the immediate future and over the long run, one way in which to do a real job in terms of reducing unemployment is to make a massive attack on the housing problem in this country. Far too many Canadian people still live in substandard dwellings in communities which lack the kind of conveniences and the kind of organization that we could have in this day and age.

While we welcome the suggestions that have been made in respect of new housing, we would like to put in a word for the rehabilitation of older dwellings. There are many dwellings in this country that should be torn down. However, there are many older

ones that could be rehabilitated, and work on them in the winter months would not only be beneficial in what it would do to those dwellings but would provide employment. We hope that, amongst other things, the Minister of Labour and the government will consider this aspect.

As I say, Mr. Speaker, what pleased us most in the minister's statement was the recognition that unemployment must be attacked from every possible angle; training, tackling the problems of automation, over-all planning, providing the necessary means for moving people about from job to job, incentives, taxation and fiscal policy, aid to municipalities, and consideration of the weather we have in this country. I was glad to learn, coming as I do from Winnipeg, that we have only seven and a half months of winter in this country. Maybe it is just that it does not always seem that way in Winnipeg.

I was glad to hear from the minister recognition that this was a problem of many parts. We hope that every effort will be made by the government, and if it does it will have the support of the whole house as it seeks really to lick the problem of unemployment in Canada.

[*Later:*]

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I should like to ask a question of the Minister of Labour. With reference to the statement which he made earlier this day, does the government envisage that with respect to the incentive grants for winter house construction it will be necessary to impose price controls or some other restrictions to prevent unconscionable advances in prices so as to gain advantage of the grants?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I think the answer to the question is no.

[*Later:*]

Mr. A. D. Hales (Wellington South): Mr. Speaker, my question is directed to the Minister of Labour following the announcement he made concerning the building of houses in winter time. First, who determines whether these houses are built and completed within the specified time? Second, if the builder completed a house say four days after the designated period, would the purchaser qualify for the $500 subsidy? And third, would a person who builds his own home qualify for this rebate?

Mr. MacEachen: Mr. Speaker, the arrangements for the implementation of this particular program will be subject to regulation,

and I think at a later time it will be possible to give complete answers to the question asked by my hon. friend. I can tell him, in response to the last part of his question, that the answer is yes, but I think it would be better for the remaining parts of his question to await further announcements when the regulations are prepared.

Mr. Hales: A supplementary question—

Mr. Speaker: I am sorry to interrupt. I hope hon. members will not think me bad tempered this afternoon, but the question was in the nature of asking for an interpretation of regulations and I hardly think the matter is that pressing. The hon. member should put it on the order paper.

[*Later:*]

On the orders of the day:

Hon. George C. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, might I ask the Minister of Finance a question, notice of which I obviously have not been able to send him. Perhaps he could advise the house whether the $500 grant for housing construction, to which the Minister of Labour referred a moment ago, will be taxable or non-taxable?

Hon. Walter L. Gordon (Minister of Finance): No, Mr. Speaker, I cannot advise the house of the answer to that question at this time.

FISHERIES

NORTH PACIFIC TREATY—STATEMENT ON MEETINGS IN WASHINGTON

Hon. H. J. Robichaud (Minister of Fisheries): Mr. Speaker, on Friday last I advised the house that I would make a statement today on the series of meetings which are now taking place in Washington, and which opened last Thursday, to review the provisions of the north Pacific treaty.

In 1952 Canada, Japan and the United States entered into a treaty, the international north Pacific fisheries convention, the principal basis of which was the abstention principle. Under this principle it was agreed that any stocks of fish which are fully utilized by any one or more of the participating countries, and which are under regulation based on scientific investigation, will continue to be exploited only by the countries which have developed those fisheries to their full exploitation. Also any country which had not, for 25 years preceding the entry into force of the convention, exploited such stocks of fish agreed voluntarily to abstain from fishing such stocks.

Under this principle Japan, which had never participated in the exploitation of salmon,

halibut and herring fisheries of North American origin, agreed to continue abstaining from fishing these stocks. Canada, which had never exploited stocks of salmon in the Bering sea, also agreed to abstain from fishing those stocks.

The treaty was made for a period of 10 years following its ratification on June 12, 1953, after which time any of the parties to the convention could terminate the convention by giving 12 months notice. Before the expiration of the 10 year period this June Japan had requested that the three countries enter into discussions to review the convention and to consider the possibility of revisions.

The three parties met on Thursday of last week at the opening session in Washington, and stated their positions. From the statements made it is evident that the three parties are agreed on the fact that a treaty is needed for the protection of the fishing resources of the north Pacific. The differences between the parties are as to the kind of treaty that would give this protection. The Japanese position was stated by the Japanese chairman of the delegation, Mr. Masayoshi Ito, as follows:

> The implementation of the convention for 10 years has revealed that the formula of abstention contains in itself a number of difficult problems such as the difficulty of proving the existence of the conditions for abstention.
>
> Therefore, the government of Japan hopes to conclude, in place of the present convention which will shortly have run its initial ten year period, a new convention the objective of which is to ensure the rational conservation and exploitation of the fishery resources of the north Pacific ocean by co-operation between our three countries, Canada, the United States and Japan.
>
> Japan is heavily dependant on fishery resources so that the conservation of resources is a matter of greatest concern to us. The government of Japan, while urging the discard of the formula of abstention, has no wish adversely to affect fishery resources and is prepared to give due consideration to the past efforts of the countries concerned for the conservation of those resources.

Secretary of the Interior Stewart L. Udall expressed the views of the United States government and its delegation as follows:

> It is our view in the United States that the convention has served well as a mechanism for the solution of common fishery problems and in so doing has contributed substantially to a pattern of harmonious relations among the three governments.

Further on he said:

> In short, we are convinced of the fundamental value of the principle of abstention for the solution of what are today unique fishery problems, but problems which may in the future be all too common.
>
> We are strengthened in our conviction by the manner in which this convention has served the three governments during the past 10 years. None of the governments has found in the functioning of the convention all that it might have hoped for. Japanese fishermen find defects in the convention, and so do Canadian and American fishermen. But, within its framework it has been possible for the three national fishing industries to prosper.

I shall quote two paragraphs of what I said, speaking for the Canadian delegation:

> Speaking for my country, I may say that the government is deeply conscious of the arduous work put in by the commission to demonstrate that the principles on which the international north Pacific fisheries convention is founded are sound. The abstention principle, on which the convention is based, is meant to cover a unique situation to protect certain fisheries which without it could not long survive.

Further on I said:

> One of the emerging problems in conservation of sea fisheries, which requires an urgent solution, is the intermingling of various stocks of fish. One state may be interested in exploiting a certain stock of fish which may be intermingled with a stock or stocks of fish which another state may be desirous of exploiting in the same region. This probably is the knottiest problem to be resolved in the fisheries of the north Pacific.

I concluded with the following remarks:

> In closing I express the hope that your deliberations will be successful, and successful they must be if we want to preserve the rich resources of our north Pacific high seas for the common benefit of future generations of our respective countries.

Requests for the calling back of the Canadian delegation to Ottawa, as well as accusations against the Japanese of taking advantage of the weak kneed, unprincipled approach displayed by the Canadian government, its fisheries department and its hand picked puppets, are having no other effect than to undermine and render more difficult the progress and success of the present negotiations. I want to state that we have full confidence in the departmental officials, the scientists, the members of the north Pacific commission, and the technical advisers who form part of the Canadian delegation. Their competence and ability are well known throughout the Canadian fisheries industry. In concluding I must add that the Canadian delegation has the full support and confidence of the Fisheries Council of Canada.

Hon. J. A. MacLean (Queens): Mr. Speaker, on behalf of the official opposition I want to say that we welcome this interim report on the negotiations now going on at Washington on the question of modifications to the international north Pacific fisheries treaty. I feel, and I think the minister will agree with me, that one of the most important international problems which will develop in the years ahead is a rational and reasonable method of deciding jurisdiction over and ownership of resources of the high seas so they can be divided equally among the nations which are most entitled to them.

I also, of course, have every confidence in the officials and fishery experts of this country. They are among the best in the world, and I know they will serve our country well in Washington. The most important

responsibility resting on the Canadian delegation is to assure for Canadians the harvesting of fishery resources that are developing, and that have been developed over the years, as a result of conservation and other measures taken by Canada, jointly with the United States in most cases. The fishery resources which exist are due mainly to the fact that Canada has abstained from hydro developments and various other projects which would endanger the survival of present fish stocks.

I have nothing else to add at the moment, but we will look forward with interest to further reports.

Mr. A. B. Patterson (Fraser Valley): Mr. Speaker, we also appreciate this interim report regarding the discussions that are currently proceeding in Washington, and we note that the minister has indicated that each of the three nations concerned has indicated its recognition of the fact that the commission and the treaty have worked very successfully down through the years.

I might say there is a great deal of concern among fishermen in British Columbia areas regarding some of the factors involved; and I believe they had a right to be concerned when the announcement was made that the Japanese were requesting, or demanding, the complete elimination of the abstention principle. That is a feature which has been recognized as very worth while and very important down through the years. When the fishermen heard this, of course they were very perturbed about this request.

We also noted what the minister said relative to the confidence the government has in those who are carrying on the negotiations. Unfortunately the minister has not been able to develop an attitude of confidence on the part of the fishermen toward himself and his department because of some of the activities that have taken place very recently. Requests have been made for an immediate meeting of the marine and fisheries committee to discuss some of the problems, but this has not as yet been agreed to. I think these requests are very locigal, and that the fishermen themselves ought to have adequate opportunity to present their views and make known their ideas relative to these various matters in connection with the international north Pacific fisheries treaty. There is the feeling that this treaty ought to be expanded. There is also the suggestion that at least some meetings ought to be held in the west coast area in order to facilitate the representations that are required in this connection.

We do urge once again, Mr. Speaker, that in all these discussions and deliberations this thought must be kept in mind; that our fisheries must be preserved and that Canadian interests must be maintained. There must also be a recognition of the fact that as far as some of the species of fish are concerned, they are Canadian products; that even though they may go far out into the ocean their conservation is connected with the Canadian fisheries and therefore Canadian fishermen ought to be considered in these matters.

So we welcome this interim report, Mr. Speaker, and will await further reports from time to time.

Mr. Barry Mather (New Westminster): Mr. Speaker, in replying to the minister's statement I would like to say that we of the New Democratic party still believe, despite his optimistic views, that the number and gravity of the problems facing the fishing industry of Canada are such as to make the immediate establishment of the standing committee of the house on marine and fisheries essential. Particularly in regard to the north Pacific is this the case. We remain of the opinion that this government's sudden implementation of the controversial recommendation of the north Pacific fisheries commission extending new rights to Japan last month should first have been referred to the house committee, with time and opportunity given for all sections of the industry, and the British Columbia government, to make their representations.

As we pointed out then and repeat now, the result of the concessions made to Japan in herring and halibut have led to new demands by Japan at Washington which may jeopardize the British Columbia fishing industry. As an indication of the growth of Japanese activities, figures show a marked decline in the B.C. sockeye catch while a marked increase has taken place in the Japanese high seas sockeye catch. Using statistics from the Canadian Department of Fisheries for the B.C. catch, and from the Pacific Fisherman Year Book for the Japanese catch, we find that a decline in the B.C. sockeye catch has taken place from an annual average catch of 5,478,000 fish during the period 1951 to 1954 to an annual average catch of 3,536,000 fish during the period 1959 to 1962. At the same time the Japanese high seas sockeye catch has risen from an annual average of 2 million in the first five year period mentioned to 12 million in the second. We believe that a thoroughgoing overhaul of the existing north Pacific fisheries treaty is needed and that Canada should interest herself in making the present three power treaty—which I might almost say divides Canada, the United States and Japan—into a four-power treaty, bringing in Russia, the other north Pacific power, and making her subject to regulation.

We press in this regard for the immediate setting up of the House of Commons standing committee on marine and fisheries and for the inclusion in its deliberations, and those going on at Washington, of all sections of the fisheries industry; and in respect of British Columbia problems we ask that the views of the British Columbia government also be taken into consideration.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

GRANTS UNDER AMATEUR SPORT ACT

Question No. 45—**Mr. Fisher:**

1. How much money has been approved to date under the Fitness and Amateur Sport Act for use in Canada and since December 31, 1962?
2. Of the amount approved, what organizations have received a grant, and how much money has been approved in each case?

Mr. Haidasz: 1. Total approvals—December 15, 1961 to May 29, 1963, $1,737,140; total approvals—January 1, 1963 to May 29, 1963, $715,831.

2. Grants to the organizations listed below have been made since December 15, 1961. The list includes all grants made directly to organizations by the federal government since the inception of the fitness and amateur sport program but does not include grants to the provinces, to individuals in the form of training awards, costs of projects carried out by the Department of National Health and Welfare, or administrative expenses of the national advisory council.

	Questions
Amateur Athletic Union of Canada	$53,221
British Empire and Commonwealth Games Association	30,000
Canadian Olympic Association	80,000
Calgary Olympic Development Association	95,000
Canadian Amateur Basketball Association	5,000
Canadian Amateur Bobsleigh and Tobogganing Association	4,800
Canadian Amateur Hockey Association	50,000
Canadian Amateur Ski Association	31,095
Canadian Amateur Speedskating Association	8,500
Canadian Amateur Swimming Association	8,450
Canadian Association of Amateur Oarsmen	10,000
Canadian Badminton Association	4,700
Canadian Canoe Association	4,200
Canadian Civilian Association of Marksmen	15,000
Canadian Cricket Association	1,633
Canadian Field Hockey Association	2,900
Canadian Figure Skating Association	10,000
Canadian Intercollegiate Athletic Union	18,000
Canadian Lacrosse Association	3,000
Canadian Ladies' Golf Union	10,000
Canadian Lawn Tennis Association	18,000
Canadian Roller Skating Association	500
Canadian Ski Patrol	9,000
Canadian Snowshoe Union	2,000
Canadian Table Tennis	750
Canadian Volleyball Association	1,500
Canadian Wheelmen's Association	5,350
Canadian Yachting Association	750
Royal Canadian Golf Association	5,000
Rugby Tours Committee of Canada	10,000
Canadian Wildlife Federation	20,000
Canadian Youth Hostels	14,750
Canadian Association for Health, Physical Education and Recreation	10,000
Boys' Clubs of Canada	6,000
Young Men's Christian Association	6,428
Young Women's Christian Association	21,810
Canadian National Exhibition	50,000
Canadian Amateur Sports Federation	10,000
Royal Canadian Legion	50,000
University of Alberta—Research Grant	17,750
University of Montreal—Research Grant	16,000
University of Ottawa—Research Grant	12,732
University of Ottawa—to assist in developing and maintaining the research reference centre established by UNESCO	5,000

AVERAGE INCOME TAX

Question No. 82—**Mr. Caouette:**

How much income tax was paid by the average unmarried wage earner in 1949, 1960, 1961 and 1962?

Mr. Garland: The average income of unmarried wage earners is not available from income tax statistics, but on the basis of average income prevailing for all taxable wage earners in the specified years, the tax, including both income and old age security tax (except for 1949 which consists of income tax only) payable by an unmarried wage earner would be as follows:

	Average Income	Tax Payable
1949	$2,589	$250
1960	4,021	495
1961	4,132	516
1962	not available	not available

ARDA PROJECTS, ALBERTA

Question No. 119—**Mr. Olson:**

1. Has the government approved any projects in the province of Alberta under the Agriculture

Rehabilitation and Development Act and, if so, what is the nature of these projects and the anticipated cost of each?

2. What is the share of the cost of each project to be borne by the federal government and the provincial government?

Mr. Beer: 1. Two ARDA projects have been approved in the province of Alberta. One involves the development of marginal and submarginal agricultural land as a community pasture. The other is an inventory of soil capability for agriculture. A number of additional projects are under consideration. The approved projects and the anticipated cost of each are: Wanham grazing reserve, $14,000; soil capability inventory, $18,500.

2. The federal government's share of the grazing reserve development cost is 50 per cent and of the soil capability inventory cost is 100 per cent. These amount to the following: Wanham grazing reserve, $7,000; soil capability inventory, $18,500.

*FERRY TERMINAL FACILITIES, NORTH SYDNEY, N.S.

Question No. 134—**Mr. Muir (Cape Breton North and Victoria):**

When will tenders be called for the terminal facilities at North Sydney for the new ferry service between North Sydney, Nova Scotia and Argentia, Newfoundland?

Mr. Deschatelets: Considerable planning and design work remains to be done before a decision is reached.

*SMOKING AND LUNG CANCER—INFORMATION TO PUBLIC

Question No. 143—**Mr. Rynard:**

1. In view of the recent announcements of the British and the Canadian medical associations linking cigarette smoking with lung cancer, has the government made any decision to control this problem?

2. What steps has the Department of National Health and Welfare taken to inform the public, particularly teen agers, of the definite link between cigarette smoking and lung cancer and the dangers to health and life?

Mr. Haidasz: 1. and 2. This subject is under continuing study by the Department of National Health and Welfare. As this is a matter of government policy any announcement will be made at the appropriate time.

EDMONTON—TREATMENT SERVICES FOR VETERANS

Question No. 180—**Mr. Lambert:**

1. Are negotiations continuing with the government of the province of Alberta and the University of Alberta respecting changes in treatment services for veterans at the Colonel Mewburn pavilion and related facilities in Edmonton?

2. If so, has there been any progress made toward providing more adequate and modern facilities to accommodate the expanded load of chronically ill veterans and those requiring domiciliary care?

[Mr. Olson.]

3. If progress has not been made, what are the obstacles which prevent a satisfactory agreement?

4. If negotiations have been suspended, when is it anticipated that they may be resumed?

Mr. Teillet: 1. No negotiations have been entered into between the federal government and the government of the province of Alberta or the University of Alberta relating to treatment services for veterans in the Edmonton area. Exploratory discussions have taken place between officials of the Department of Veterans Affairs and representatives of the government of the province of Alberta and the University of Alberta.

2. Some progress has been made in the study of related factors.

3. Answered by 2.

4. Not applicable.

SYNTHETIC TOTEM POLES

Question No. 191—**Mr. Howard:**

Has any information been received by the government or any agency or branch thereof that one Boris Mange of 969 Marine drive, North Vancouver, B.C., is making totem poles from a synthetic material which are being represented and sold as authentic argillite totems having been carved by native Indians in the Queen Charlotte islands and, if so, has any action been taken to expose this activity?

Mr. Munro: No. An inquiry was made, however, and it is reported that Mr. Mange has been dealing in the sale of precast plastic totem poles but there is no evidence that these are purported to be argillite.

RED RIVER FLOOD FUND

Question No. 193—**Mr. Howard:**

1. Was any money left unexpended from the fund established for the 1950 Red river flood and, if so, how much and in whose possession?

2. What requirements must be met in order that this money may be used for other floods or the results thereof?

Mr. Dupuis: 1. On incorporation by special act of parliament of the Canadian Disaster Relief Fund, Inc. (S.C. 1952-53, chapter 59), there was transferred to this corporation $1,485,511.81 from the Manitoba flood relief fund. The last financial report of the corporation made to the Secretary of State, under the terms of the statute, shows the balance of the fund, as at December 31, 1962, to be $1,494,723.27.

2. Subsection (3) of section 6 of the statute provides for payments to be made from the fund "for the purpose of meeting emergencies and needs arising in Canada from flood, fire, tempest, earthquake, pestilence or other disaster, mitigating loss and suffering caused thereby assisting in repairing damage resulting therefrom, and rehabilitating persons who have suffered injury or loss by reason thereof, when in the opinion of the corporation the implementing of such purposes is beyond the

reasonable capacity of the area affected." The principles upon which payments may be made out of the fund are set out in the by-laws made under section 8 of the statute. Inquiries relative to these principles should be addressed to the secretary treasurer of the corporation, Canada Permanent Toronto General Trust Co., Winnipeg, Man.

CANADIAN MILITARY CONTRIBUTIONS TO COUNTRIES OTHER THAN NATO

Question No. 207—**Mr. Brewin:**

1. Has Canada made contributions to any countries other than members of NATO by way of (a) weapons (b) military supplies (c) military training?
2. To what countries have such contributions been made, what is their nature, and what is the cost to Canada in each case?
3. Has Canada agreed or undertaken in any way to make any such contributions to countries other than NATO, and what is the projected value of such contributions?

Mr. Martin (Essex East): 1. (a) No. (b) Yes. (c) Yes.

2. India: 8 Dakota aircraft, $646,985; 5 Otter aircraft, $744,050; 36 Harvard aircraft, $747,000; personal military clothing, $1,500,-004; nickel for defence production, $855,000; training—1 Indian medical officer in Canada, no cost.

Chile: Medical supplies, $22,342.

Nigeria: Training: 6 Nigerian naval cadets in Canada, $18,900; 20 Nigerian naval technical personnel in Canada, $52,464; 9 Nigerian army officer cadets in Canada, $15,800; 16 Nigerian air force pilots, $117,800.

Ghana: Training: 3 R.C.N. officers as instructors on staff of the military academy in Ghana—pay and allowances, $20,988 per annum; 27 Canadian army officers as instructors in Ghana—pay and allowances, $229,000 per annum; 5 R.C.A.F. officers as instructors in Ghana—pay and allowances, $49,000 per annum.

Argentina: Training 4 naval personnel in Canada, no cost.

Australia: Training 2 naval personnel in Canada, no cost.

Trinidad-Tobago: Training 3 officers in Canada, $4,300.

3. Under the technical assistance agreement on military training concluded with the government of Ghana on January 8, 1963, Canada has undertaken to make available the services of the Canadian armed forces training team to assist the military authorities of Ghana in the training of the armed forces of Ghana. For the value of this contribution see 2 above.

The government has authorized a grant to India of a maximum of $2,000,000 to defray part of the interest charges on an intergovernmental loan extended to India to cover the purchase of Caribou aircraft.

These replies cover the period since the establishment of NATO in 1949.

SAFEGUARDING PUBLIC FROM EFFECTS OF SMOKING

Question No. 223—**Mr. Mather:**

1. Has the Department of National Health and Welfare taken note of the activities of the governments of Sweden, Norway, Italy, Russia and Great Britain in combating cigarette smoking as a cause of lung cancer and other diseases?
2. Has the department taken note of the educational efforts in this field undertaken by certain of the provincial health departments of Canada?
3. What steps are being taken, or are contemplated, by the Department of National Health and Welfare toward safeguarding the public, and particularly young people, against the toll of nicotine addiction?

Mr. Haidasz: 1. Yes.

2. Yes.

3. This subject is under continuing study by the Department of National Health and Welfare. As this is a matter of government policy any announcement will be made at the appropriate time.

RADIOACTIVE FALL-OUT IN DRINKING WATER

Question No. 231—**Mr. Scott:**

1. Are any studies carried out by the government to test the radioactive fall-out in drinking water and, if so, what is the nature of such studies, by whom are they conducted, and at what frequency?
2. What is the present level of radioactive fall-out in drinking water?

Mr. Haidasz: 1. The radiation protection division of the Department of National Health and Welfare analyses the drinking water of major cities from time to time as an exploratory measure. The fall-out levels measured have been so low that a regular program is not maintained. In addition, information is obtained on a regular basis from monitoring studies on levels in the environment of nuclear reactors. The radiation protection division samples the raw water intakes at pumping stations at Des Joachims, Deep River, Petawawa, Pembroke on the Ottawa river and Kincardine and Port Elgin on lake Huron. Samples are taken daily and composited for monthly analysis of strontium 90, strontium 89 and cesium 137.

2. Strontium 90 levels in drinking water are generally less than 1 micromicrocurie per litre.

METHOD USED TO MAINTAIN SUGAR PRICE

Question No. 263—**Mr. Orlikow:**

Do the sugar companies use a delivered base point price system to maintain present prices?

Mr. Sharp: Sugar prices are quoted f.o.b. refinery, ex-warehouse and on a basing point system. Arrangement for purchase is according to the preference of the buyer.

Questions

SHAUGHNESSY VETERANS HOSPITAL, VANCOUVER —ORDERLIES EMPLOYED

Question No. 265—**Mr. Prittie:**

1. How many orderlies are employed at Shaughnessy veterans' hospital in Vancouver?
2. What is the ratio of orderlies to patients at this hospital?
3. What is the current rate of pay for orderlies?
4. How many hours per week do orderlies work?
5. How many consecutive days do orderlies work before receiving their days off?

Mr. Teillet: 1. There are 218 hospital nursing orderly positions on the establishment of Shaughnessy veterans' hospital. Of these positions, 215 were occupied on April 30, 1963.

2. During the month of April, 1963 the ratio of orderlies to patients was on average one orderly to 4.4 patients.

3. Hospital nursing orderly 1, $2,820-$3,180; hospital nursing orderly 2, $2,970-$3,420; hospital nursing orderly 3, $3,210-$3,660; hospital nursing orderly 4, $3,750-$4,200; chief nursing orderly, $4,050-$4,500.

4. 40 hours per week.

5. The number of consecutive days that orderlies work before receiving days off varies, depending on the duty roster, from a minimum of 3 days to a maximum of 7 days. By special request of an orderly or in event of an emergency such as illness the maximum might, in exceptional circumstances, be as great as 9 days.

COST OF TRANSPORTING VISITORS TO NORAD HEADQUARTERS

Question No. 266—**Mr. Prittie:**

1. Who bears the cost of taking members of parliament, journalists, and other groups for visits to the NORAD headquarters in Colorado Springs from points in Canada?
2. Does the government of Canada, directly or indirectly, pay part or all of the costs and, if so, what costs were paid during 1960, 1961, 1962 and 1963?
3. Have any of the Canadian delegations flown to Colorado Springs in R.C.A.F. aircraft and, if so, what were the costs for such flights during 1960, 1961, 1962 and 1963?

Mr. Hellyer: In so far as the Department of National Defence is concerned.

1. Where an R.C.A.F. aircraft is used to transport the group, the costs of operating the aircraft are charged to R.C.A.F. appropriations.

2. and 3. Three flights at a total cost of $19,000.

CANADIAN VISIT BY NATO AIR TRAINING ADVISORY GROUP

Question No. 267—**Mr. Stefanson:**

1. Has a group of NATO officers, members of the air training advisory group, supreme headquarters of allied powers in Europe, visited Canada recently and, if so (a) at whose invitation did they come (b) what was the purpose of the visit (c) what defence establishments were visited in Canada (d) when did these visits take place (e) what personnel was included in the group?
2. Has this delegation submitted any recommendations to the NATO council in respect to future air training programs and, if so, has that report been made available to the government of Canada?

Mr. Hellyer: 1. Yes, eight members of the NATO air training advisory group visited the R.C.A.F. during the period 20-29 May 1963.

(a) A request for this liaison visit was received from supreme headquarters allied powers Europe (SHAPE) on 27 June 1962 and was approved by the chief of the air staff on 27 July 1962.

(b) The purpose of the visit was to discuss and observe R.C.A.F. pilot training techniques, procedures and equipment.

(c) The team visited R.C.A.F. stations Winnipeg, Gimli, and Cold Lake, and were quartered at St. Hubert while visiting Canadair, Montreal.

(d) The party visited Winnipeg during the period 20-21 May, Gimli 21-23 May, Cold Lake 23-25 May, St. Hubert 25-29 May.

(e) The group was composed of one R.A.F. wing commander, one Royal Hellenic air force major, one French air force commandant, one R.C.A.F. flight lieutenant, one R.A.F. flight lieutenant, one Italian air force captain, one Turkish air force captain and one U.S. air force captain.

2. No.

COMMEMORATIVE STAMP SHOWING FISHING SCHOONER

Question No. 269—**Mr. Crouse:**

Is the government giving consideration to issuing a commemorative stamp showing a fishing schooner in full sail, thereby perpetuating in memory a method of fishing which is now extinct in Nova Scotia?

Mr. McWilliam: Not at the present time.

FARM LOAN APPLICATIONS, COMPTON AND FRONTENAC COUNTIES, P.Q.

Question No. 271—**Mr. Latulippe:**

Since the last amendment made to the Farm Credit Act (a) how many loans has the corporation approved in the counties of (i) Compton (ii) Frontenac (b) what is the total value of these farm loans (c) how many applications were received from farmers in these counties (d) how many applications were not approved (e) how many applications are under review?

Mr. Beer:

	Municipal county of Compton	Frontenac	Total
(a)	Nil	5	5
(b)	Nil	$59,700	$59,700
(c)	19	8	27
(d)	1	0	1
(e)	18	7	25

FARM LOAN APPLICATIONS, COMPTON-FRONTENAC CONSTITUENCY

Question No. 272—**Mr. Latulippe:**

How many applications for farm loans were received from residents of the constituency of Compton-Frontenac in 1961 and 1962 and, of these, how many were approved, and what was the total value of the loans approved?

Mr. Beer: The Farm Credit Corporation does not maintain statistical records by electoral districts. However, for the municipal counties of Compton and Frontenac, which together approximately coincide with the electoral district of Compton-Frontenac, the answer is:

	1961	1962
Loan applications received	7	41
Loan applications approved	4	30
Amount of loan approvals	$44,000	$413,700

FEDERAL CIVIL SERVANTS, COMPTON-FRONTENAC CONSTITUENCY

Question No. 275—**Mr. Latulippe:**

1. What is the total number, the salary, and the classification, of federal civil servants in the constituency of Compton-Frontenac?
2. What is the total of the annual salaries paid these civil servants in this constituency?

Mr. Sharp: 1. Information on the number of civil servants is not available by constituency. However, the economic region which includes the counties of Compton, Frontenac, Stanstead and Sherbrooke had 549 employees under the Civil Service Act at September 30, 1962. There were some 110 different classifications held by these employees.

2. Salaries are not available by region.

(Translation):

N.H.A. LOANS, COMPTON-FRONTENAC CONSTITUENCY

Question No. 276—**Mr. Latulippe:**

How many applications for loans under the terms of the National Housing Act were filed, from points in the constituency of Compton-Frontenac, with Central Mortgage and Housing Corporation in 1962, and 1963, and, of these totals, how many loans were granted and what was their total value?

Questions

Mr. Garland: Number of N.H.A. loans granted in the riding of Compton-Frontenac.

	Authorized lenders		C.M.H.C.	
Year	Number of loans	Amount	Number of loans	Amount
1962	—	—	8	$85,973
1963 (Jan.-Mar.)	—	—	—	—

Note: Information regarding applications for loans, except those that were approved, is not available.

(Text):

NEW WESTMINSTER, B.C., ARMOURY

Question No. 280—**Mr. Mather:**

Is consideration being given to the building of an armoury in New Westminster, British Columbia, and, if so, (a) when (b) at what location (c) what will be the total cost?

Mr. Hellyer: There are no current plans for constructing a new armoury at New Westminster, B.C.

SURPLUS FOOD DISTRIBUTION TO SENIOR CITIZENS

Question No. 283—**Mr. Basford:**

Since 1945, under what circumstances and under what terms, has the government of Canada distributed, either by way of gift or special price, surplus food stocks to senior citizens?

Mr. Beer: Since 1945 the government of Canada has not distributed any surplus food stocks specifically designated for senior citizens. However, during the period February 1955 to August 1957 butter was made available to non-profit institutions in Canada at a reduced price, and from October 1959 to January 1961 canned pork was donated to welfare and charitable institutions in Canada. Senior citizens would have benefited through these distributions.

WHEAT EXPORTS

Question No. 285—**Mr. Basford:**

From the beginning of the 1961-62 crop year to date, what were the total export shipments of wheat each month, and from each port?

Mr. Pepin:

Export Clearances of Canadian Wheat to Overseas Destinations, by Ports of Clearance and United States Imports, August 1961—April 1963

Loaded at	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	June	July	Total
						—thousand bushels—							
1961–62													
Vancouver–New Westminster	14,205	11,019	9,586	8,783	10,193	13,748	15,963	14,595	12,467	14,234	8,876	11,852	145,520
Victoria	418	508	317	389	475	—	609	561	546	603	—	—	4,427
Churchill	6,231	9,248	2,818	—	—	—	—	—	—	—	—	948	19,245
Fort William–Port Arthur	1,896	890	2,148	938	—	—	—	—	—	1,891	2,079	78	9,921
Montreal	6,213	5,116	8,516	12,039	2,763	—	—	93	2,020	6,906	4,747	3,603	52,016
Sorel	1,958	2,008	3,525	5,988	663	—	—	—	1,975	3,838	2,574	1,074	23,602
Three Rivers	2,224	—	2,392	7,778	1,862	—	—	—	2,444	1,671	1,363	554	20,288
Quebec	611	—	1,364	3,727	1,892	149	149	—	278	1,815	1,269	—	11,255
Baie Comeau	1,814	—	1,961	1,171	—	—	—	—	2,046	2,780	2,646	898	13,315
Saint John	—	—	—	—	243	86	157	25	317	—	—	—	828
West Saint John	—	—	—	—	715	1,752	3,120	2,910	1,016	—	—	—	9,513
Halifax	—	—	—	—	1,133	1,787	3,739	2,270	1,798	607	—	—	11,334
Totals	35,570	28,789	32,627	40,812	19,940	17,522	23,737	20,454	24,906	34,345	23,554	19,008	321,265
United States imports (domestic)	55	177	282	11	27	12	2	28	74	805	6	9	1,487
Totals, all wheat	35,625	28,966	32,910	40,823	19,966	17,534	23,739	20,482	24,981	35,150	23,559	19,016	322,752
1962–63													
Vancouver–New Westminster	8,518	5,913	10,758	6,746	12,234	15,733	12,906	12,371	14,436				99,614
Victoria	709	471	—	52	935	189	375	832	966				4,530
Prince Rupert	—	—	—	—	—	—	603	728	972				2,303
Churchill	6,525	10,214	3,838	—	—	—	—	—	—				20,578
Fort William–Port Arthur	718	97	801	1,417	—	—	—	—	—				3,033
Kingston	—	—	—	336	—	—	—	—	—				336
Montreal	3,270	1,492	5,921	10,748	3,336	—	—	—	3,617				28,384
Sorel	758	1,012	2,249	4,763	193	—	—	—	862				9,837
Three Rivers	—	573	944	4,444	614	—	—	—	1,944				8,519
Quebec	835	1,216	1,462	1,094	1,096	—	—	—	744				6,447
Baie Comeau	602	4,050	3,721	3,693	—	—	—	—	4,771				16,838
Saint John	—	—	—	—	82	—	343	343	—				767
West Saint John	—	—	—	—	1,314	2,272	3,138	1,805	196				8,726
Halifax	—	—	—	—	937	3,281	1,405	3,145	398				9,165
Totals	21,934	25,038	29,693	33,295	20,740	21,475	18,770	19,225	28,906				219,076
United States imports (domestic)	10	2	12	14	209	11	9	21	10				298
Totals, all wheat	21,944	25,040	29,705	33,309	20,949	21,486	18,779	19,246	28,916				219,374

FARM CREDIT LOANS

Question No. 287—**Mr. Vincent:**

During the 1962-63 fiscal year, what was the number and total amount of the loans approved by the farm credit corporation (a) in Canada (b) in the province of Quebec (c) in the constituency of Nicolet-Yamaska?

Mr. Beer: (a) Canada: No. loans, 7,438; amount, $90,924,300.

(b) Province of Quebec; No. loans, 804; amount, $11,434,700.

(c) (i) Nicolet (municipal county): No. loans, 51; amount, $607,400. (ii) Yamaska (municipal county): No. loans, 33; amount, $439,200.

BRUCELLOSIS CONTROL, QUEBEC

Question No. 288—**Mr. Vincent:**

1. When did the government first constitute brucellosis control areas in the province of Quebec?
2. How many counties of the province are now certified?
3. How many counties are now in brucellosis control areas, and which counties will be certified in the near future?
4. How many counties have not yet been designated brucellosis control areas?
5. Since these measures were instituted in the province of Quebec, what amounts has the government spent for this work?
6. For the county of Yamaska, what are the figures relating to (a) the total number of animals (b) the total number of reactors (c) the percentage of animals slaughtered (d) the total cost of the operations including compensation paid?
7. On what date will the operations probably be completed in the province of Quebec?

Mr. Beer: 1. The first brucellosis control area in the province of Quebec was established by a ministerial order dated April 17, 1958.

2. To date 32 counties in the province have qualified as brucellosis certified areas.

3. Forty two counties have been accepted as brucellosis control areas. Initial tests have been completed in four of those not already certified. Retests are now being conducted in these areas, and it is expected that they can be certified within the next few months. The counties involved are Yamaska, Wolfe, Bagot and Richmond.

4. There are 34 counties in the province which have not yet been designated as brucellosis control areas.

5. Since the brucellosis testing program was introduced in Quebec, $3,161,825 has been paid to livestock owners for cattle ordered slaughtered. Because of the multiple nature of the duties of the inspectors engaged in this work other costs cannot be accurately identified.

6. (a) The initial test of cattle in the Yamaska county for brucellosis has just been completed. There were a total of 36,261 cattle in the area.

(b) 2,601 reactor animals were uncovered in 526 herds.

Questions

6. (c) The percentage of the cattle population classed as reactors was 7.17. All reactors are ordered slaughtered.

(d) $141,077 has been paid as compensation for animals slaughtered. As outlined in the reply to part 5, other costs cannot be accurately identified.

7. If the present rate of testing is maintained, the initial brucellosis test should be completed by the end of the year 1965.

*SITE FOR CORRECTIONAL INSTITUTION, GREY-BRUCE CONSTITUENCY

Question No. 289—**Mr. Winkler:**

1. On what date did the Department of Public Works receive a directive from the Department of Justice to acquire a site for a medium security correctional institution in the Markdale-Dundalk area of Grey-Bruce?
2. Did investigation reveal technical suitability of site?
3. Was the water supply obtained sufficient for the purposes of the institution?

Mr. Deschatelets: 1. March 1, 1962.

2 and 3. These investigations have not been fully completed.

FEDERAL POST OFFICE BUILDINGS, CONSTITUENCY OF SELKIRK

Question No. 292—**Mr. Stefanson:**

1. How many federal post office buildings were built between March 31, 1958 and April 8, 1963, in the federal constituency of Selkirk?
2. Where are these located; when, and at what cost were they built?
3. Have sites been bought at other locations in Selkirk constituency for post office buildings and, if so, where and when have sites been purchased, from whom, and at what cost?
4. When are tenders expected to be called, and work to be completed?

Mr. Deschatelets: 1. Six.

2. Ashern, completed 1963, $23,807.95; Eriksdale, completed 1962, $22,997.32; Fisher Branch, completed 1960, $18,921.28; Lundar, completed 1961, $19,432.91; Riverton, completed 1962, $23,918.97; Winnipeg Beach, completed 1962, $19,300.56.

3. Yes, a site was purchased at Arborg from the Canadian Pacific Railway in November, 1962, for $2,800.

4. No date has been decided.

FORESTRY PROGRAM, CHIGNECTO GAME SANCTUARY, N.S.

Question No. 294—**Mr. Coates:**

Have representations been received from individuals or associations regarding the establishment of a forestry program at the Chignecto game sanctuary in Nova Scotia and, if so, what action has been taken by the government in this regard?

Mr. Nicholson: No.

Questions

HARBOUR IMPROVEMENTS, WALLACE, N.S.

Question No. 295—**Mr. Coates:**

1. Are wharf improvements to be carried out at Wallace and, if so, what will they consist of?
2. Will the Wallace harbour be dredged in the near future?
3. Are wharf repairs to be carried out at Wallace bridge?

Mr. Deschatelets: 1. No.

2. Yes.

3. No.

PUGWASH, N.S. WHARF

Question No. 296—**Mr. Coates:**

Will tenders be called for the construction of a fishermen's wharf at Pugwash, Nova Scotia, and, if so, when will such tenders be announced?

Mr. Deschatelets: Yes, it is hoped that plans and specifications will be completed in time to call tenders and award the contract before the fall.

PORT PHILIP, N.S., WHARF IMPROVEMENTS

Question No. 297—**Mr. Coates:**

Will tenders be called for wharf improvements at Port Philip, Cumberland county, Nova Scotia, and, if so, when will such tenders be called?

Mr. Deschatelets: No, not at the present time.

TOURIST SPENDINGS, U.S. AND CANADA

Question No. 301—**Mr. Mather:**

What have been the per capita spendings by tourists for the years 1960, 1961 and 1962 in regard to (a) Canadians in the United States (b) United States citizens in Canada?

Mr. Sharp: (a) Expenditures by residents of Canada on travel in the United States in 1960, 1961 and 1962 per capita on the basis of population were: $25.90, $25.20 and $22.50 respectively.

(b) Expenditures by residents of the United States on travel in Canada in 1960, 1961 and 1962 per capita on the basis of population were: $2.10, $2.40 and $2.75 respectively.

The data are not classifiable by citizenship.

PAY INCREASES, ARMED FORCES

Question No. 302—**Mr. Mather:**

1. What was the amount, in dollars, per month, of the pay increase recently granted to privates in the armed forces?
2. What was the amount, in dollars, per month of the pay increase recently granted to colonels?
3. What was the percentage pay increase granted to lower paid officers and men in the ranks?
4. What was the percentage pay increase granted to officers above the rank of sergeant?

Mr. Hellyer: 1. $4 on basic pay, plus increases up to $6 on progressive pay, plus $6 on trade group 2 or nil to $18 on trade group 3 depending on classification assigned.

[Mr. Nicholson.]

2. $90 on basic pay, plus $10 at maximum progressive pay.

3.	On Basic Pay
Private recruit	3.7 per cent
Private 6 years	5.7 per cent
Corporal	4.2 per cent
Sergeant	3.8 per cent
4. Staff sergeant	6.8 per cent
Warrant officer 2	6.3 per cent
Warrant officer 1	6.6 per cent
2nd Lieutenant	4.4 per cent
Lieutenant	3.1 per cent
Captain	8.9 per cent
Major	8.7 per cent
Lieutenant Colonel	10.9 per cent
Colonel	11.1 per cent
Brigadier	4.5 per cent
Major General	6.6 per cent

REPRESENTATIONS FROM UNIVERSITY FOUNDATION

Question No. 303—**Mr. Fisher:**

1. Did the Prime Minister receive a presentation from the Canadian universities foundation in the month of May, 1963, and, if so, what was the gist of the request put forward by the Canadian universities foundation?
2. Was it possible for the Prime Minister to discern in the representations by the Canadian universities foundation that these were supported by the universities in the province of Quebec?
3. If these representations are presently under consideration by the government, can the Prime Minister give any indication as to the likelihood when action may be taken on these requests or when the requests may be turned down?
4. Did the Prime Minister or the government think it necessary to suggest to the Canadian universities foundation that their representations should have been put first to the provincial government?

Mr. Pearson: 1. Yes. The Prime Minister and several of his colleagues received the presentation from the foundation, which asked primarily that the parliament of Canada authorize expenditure of $300 million for capital grants to universities and colleges over the three year period commencing July 1, 1963, to match amounts that the universities might obtain elsewhere. These grants would be used in constructing buildings for teaching and research in any field and for essential supporting services. The foundation also proposed that parliament provide at least $2 million per annum through the Canada Council for a program of increased support of scholarships and research in the humanities and social sciences and the improvement of university and library collections in these fields. The foundation also recommended that special operating grants be provided for the universities in Nova Scotia and New Brunswick to bring up the university grants per student in those provinces to a level close to the national average.

2. The vice president of the foundation who assisted in the presentation, is the head of

one of the universities in Quebec, and there was no indication that the universities in that province did not support the representations.

3. The representations are being carefully examined and any announcement concerning them will be made at the appropriate time.

4. The foundation, being a nation wide organization, does not deal with provincial governments. The individual universities and colleges, members of the foundation, make their representations directly to provincial governments.

(Translation):

COMMITTEE STUDY OF GLASSCO REPORT

Question No. 306—**Mr. Latulippe:**

Does the government intend to appoint a parliamentary committee for the purpose of studying the recommendations of the royal commission on government organization (Glassco commission) and, if so, when do they intend to appoint such a committee?

Mr. Lamontagne: Mr. Speaker, the government does not intend at the present time to set up such a committee.

(Text):

ARMED FORCES OVERSEAS VOTE ANNOUNCEMENT

Question No. 307—**Mr. Latulippe:**

Does the government intend to submit amendments to the Canada Elections Act to the effect that the vote of the armed forces overseas shall be taken, known and released on the same dates as the vote of the other Canadian voters?

Mr. Dupuis: The government proposes to refer the report of the chief electoral officer to the committee on privileges and elections for study. No doubt this matter could be considered by the committee.

CUSTOMS PORTS, COMPTON-FRONTENAC CONSTITUENCY

Question No. 309—**Mr. Latulippe:**

1. How many customs ports are located on the boundary between the constituency of Compton-Frontenac and the United States?
2. How many employees are stationed at each one of these ports?
3. What are their names and salaries?
4. What is the operating cost of these ports?
5. How much revenue have these ports brought to Canada during the last five years?

Mr. Garland: 1. Five. Ports of Lac Megantic and Comins Mills outports of Chartierville, Hereford Road and Woburn.

(Note: Lac Megantic, although located a short distance from the boundary, is the point of clearance for the C.P. Railway.)

2. Comins Mills, including Chartierville and Hereford Road, 16; Lac Megantic, including Woburn, 17.

Questions

3.

Comins Mills	
M. A. Nicholson	$ 6,720.
G. F. Bedard	$ 4,740.
J. P. M. E. Bolduc	$ 4,740.
J. S. A. L. Bouchard	$ 4,740.
J. A. R. Langevin	$ 4,740.
J. P. E. Leclerc	$ 4,320.
J. O. L. Therrien	$ 5,400.
J. F. Tremblay	$ 3,870.
	$39,270.

Hereford Road	
J. R. A. Gagner	$ 5,400.
J. M. R. Bourret	$ 4,740.
J. T. P. Custeau	$ 4,740.
J. J. M. H. Duchesneau	$ 4,740.

Chartierville	
D. N. Morrison	$ 5,400.
J. B. G. Blanchette	$ 4,320.
F. A. MacLeod	$ 4,320.
J. G. A. Martin	$ 4,320.
	$18,360.

Woburn	
J. S. L. Allard (part time)	$1,2,06.
J. C. T. E. Cantin	$ 5,400.
J. A. A. Chouinard	$ 4,320.
J. A. D. Chouinard	$ 4,320.
J. R. Falardeau	$ 4,740.
J. L. G. D. Fortier	$ 4,740.
J. L. P. Parent	$ 4,320.
	$29,046.

Lac Megantic	
J. N. O. Poulin	$ 6,720.
J. J. C. C. Billodeau	$ 4,320.
J. R. E. Charest	$ 4,740.
J. G. R. Latulippe	$ 4,320.
J. H. Miller	$ 4,740.
J. A. F. Morin	$ 4,740.
J. D. G. G. Nadeau	$ 4,320.
G. A. Ouellette	$ 4,320.
J. F. L. Roy	$ 4,740.
J. E. J. Tetreault	$ 5,130.
	$48,090.

4. Approximate operating cost, including salaries and maintenance for the year ended March 31, 1963, $166,058.

5. Total revenue 1958-59 to 1962-63 inc. $463,872.62.

EXPORTS AND IMPORTS, COMPTON-FRONTENAC CONSTITUENCY

Question No. 310—**Mr. Latulippe:**

Has the government any statistics about imports and exports between the constituency of Compton-Frontenac and the states of Maine and Vermont?

Mr. Sharp: No, the government does not have any statistics on imports or exports between the constituency of Compton-Frontenac and the states of Maine and Vermont.

(Translation):

ESTIMATED COST OF WORLD FAIR SITE

Question No. 311—**Mr. Pigeon:**

Has the government received estimates of the overall cost of preparing the site for the 1967 world's fair and, if so (a) what are such estimates (b) what proportion of such costs will be met by the federal government?

Mr. Deschatelets: Mr. Speaker, so far we have not received estimates or technical reports, but I will refer those questions to the world's fair commissioner.

TECHNICAL REPORTS ON WORLD FAIR SITE

Question No. 312—**Mr. Pigeon:**

In connection with the site of the 1967 world's fair, have any technical reports been received which would reassure the Canadian people concerning (a) any possible increase in hazards for ships entering the St. Lawrence seaway because of new cross currents at this point (b) the possibility of increased pressure on the St. Lawrence seaway dam which might be caused by the reclaiming of 12,000,000 square feet of land and the subsequent building of high-rise apartment blocks on this site which could create additional pressure against the seaway wall (c) any hazards that might result from the filling of the site to a depth of up to 25 feet, one of which could be possible crumbling and settling (d) the hazard that might be due to increasing the current of the Ste. Marie river, and to creating further problems for foreign ships docking in Montreal (e) the need for technical and security measures required for bridge building between the government owned Jacques Cartier bridge and the C.N.R. Victoria railway bridge and Notre Dame island, which is included in the project (f) the need for studies required in the construction of a low level bridge between Point St. Charles and St. Helen's island as proposed in the plan (g) the increased possibility of ice jams in St. Helen's island basin (h) the increased hazard to the city of Verdun by the possible flooding of Laprairie basin which could result from unexpected freezing and ice jams (i) the meeting of conditions and requirements of the international joint commission and of the Migratory Birds Convention Act (j) the need for government co-operation with Quebec hydro as to the effects of the project on provincial hydraulic resources?

Mr. Deschatelets: The answer is similar to the one given to question No. 311, Mr. Speaker.

(Text):

LIME ASSISTANCE PAYMENTS

Question No. 313—**Mr. Vincent:**

1. What percentage of the direct payments made by the provinces for lime in the fiscal year 1962-63 was covered by the federal aid program?

[Mr. Latulippe.]

2. What was the cash contribution made by the federal government in the fiscal year 1962-63 (a) for Canada (b) for the province of Quebec?

3. How many tons were granted in the fiscal year 1962-63 (a) for Canada (b) for the province of Quebec?

4. What was the cost per ton to both governments of the contributions made during the 1962-63 fiscal year under the Quebec provincial program?

Mr. Beer: 1. The federal lime subsidy payments represented 60 per cent of the direct payments made by the provinces.

2. The federal subsidy payments for the fiscal year 1962-63 totalled (a) Canada $2,471,280, and (b) Quebec $2,098,623.

3. The subsidy was paid in 1962-63 on a total of, (a) Canada, 1,313,093.51 tons; (b) Quebec, 1,121,562.03 tons.

4. The net cost of direct subsidy payment in the province of Quebec in 1962-63 was: (a) Canada, $1.87 per ton; (b) Quebec, $1.24 per ton; total, $3.11 per ton.

REMOVAL OF MILK SUBSIDY

Question No. 318—**Mr. Smith:**

Upon what date was the regulation or order made removing the 12 cent subsidy on surplus fluid milk used for making butter?

Mr. Beer: No regulation or order was made removing the 12 cent subsidy on surplus fluid milk used for making butter. For the dairy year beginning May 1, 1962, the agricultural stabilization board was authorized to purchase creamery butter at 64 cents a pound and resell it at 52 cents a pound. The prior authority lapsed on April 30, 1963.

OLD AGE PENSIONERS, COMPTON-FRONTENAC CONSTITUENCY

Question No. 319—**Mr. Latulippe:**

1. How many persons in the constituency of Compton-Frontenac are in receipt of old age pensions?

2. What are the figures for the past five years?

3. Does the government intend to increase these pensions?

Mr. Haidasz: 1. and 2. This information is not available.

3. As this is a matter of government policy any proposed legislation will be announced by the government at the appropriate time.

BLIND PERSONS ALLOWANCE RECIPIENTS, COMPTON-FRONTENAC CONSTITUENCY

Question No. 320—**Mr. Latulippe:**

1. How many persons in the constituency of Compton-Frontenac are in receipt of blind persons' allowances?

2. Does the government intend to increase these allowances?

Mr. Haidasz: 1. This information is not available.

2. As this is a matter of government policy any proposed legislation will be announced by the government at the appropriate time.

HARBOUR DEVELOPMENT, DINGWALL, N.S.

Question No. 321—**Mr. Muir (Cape Breton North and Victoria):**

What are the plans of the government to continue harbour development at Dingwall, Nova Scotia, and will any further work be carried out at this location this year?

Mr. Deschatelets: The construction of rock mound groynes is being considered. This would depend on the results of a survey now under way by the hydrographic service and national research council.

HARBOUR DEVELOPMENTS, BAY ST. LAWRENCE, N.S.

Question No. 322—**Mr. Muir (Cape Breton North and Victoria):**

What harbour developments will be carried out at Bay St. Lawrence, Nova Scotia, this year?

Mr. Deschatelets: No harbour development projects are scheduled for Bay St. Lawrence, Nova Scotia, this year.

POINT EDWARD NAVAL BASE REFIT PROGRAM

Question No. 330—**Mr. Muir (Cape Breton North and Victoria):**

What is the planned schedule of refits for Point Edward naval base for the next year?

Mr. Hellyer: The refit planning for Point Edward naval base calls for the refit of one frigate or equivalent at any one time making an approximate work load of three frigates per year.

HARBOUR IMPROVEMENTS, SYDNEY, N.S.

Question No. 332—**Mr. Muir (Cape Breton North and Victoria):**

Are major harbour improvements planned for Sydney harbour by the Department of Public Works and, if so, what are such improvements?

Mr. Deschatelets: It is planned to carry out deck surfacing and improvements in the ancillary services this year. A preliminary investigation will also be made to determine the feasibility and cost of providing deeper drafts and increased berthage at the public wharf. In addition an expenditure of $30,000 has been approved representing the federal government's share of redredging the berths at the Dominion Steel and Coal Company's three wharves. The total cost of this project is estimated at $60,000 to be shared equally by the company and the federal government.

IMPORTS OF AXLES FOR RAILWAY ROLLING STOCK

Question No. 360—**Mr. MacEwan:**

1. Will the government advise as to the names of the companies which are importing from England railway axles for railway rolling stock?

2. How many axles have been imported to date, and what is the value of same?

3. What action does the government intend to take in order to protect the employees of the only railway rolling stock axle plant in Canada at Trenton, Nova Scotia?

Mr. Sharp: 1. This information is available to the government for the purpose of customs administration and the Statistics Act and accordingly cannot be disclosed.

2. Answered by No. 1.

3. Axles are dutiable at 7½ per cent under the British tariff preference and subject to the requirements of the Customs Act as to valuation. It is understood that importation of railway axles has occurred intermittently over a considerable period of years and the government is not aware of any new situation which requires special measures.

COMMUNITY PASTURE IMPROVEMENTS, SASK.

Question No. 371—**Mr. Korchinski:**

What work is planned for 1963 for the community pastures in Saskatchewan at (a) Kelvington (b) Hazel Dell (c) Foam Lake?

Mr. Beer: Work planned for 1963 for the three specified community pastures in Saskatchewan is as follows:

(a) Kelvington—Nil. Construction was completed this spring and cattle were accepted from patrons on June 3, 1963.

(b) Hazel Dell—Fencing corrals and development of stock watering facilities. It is anticipated construction will advance to the stage to permit operation of the pasture in 1964.

(c) Foam Lake—Construction of the pasture headquarters building. Other facilities are completed and cattle were accepted from patrons as of June 3, 1963.

QUESTIONS PASSED AS ORDERS FOR RETURNS

ACQUISITION OF PROPERTY, SUSSEX STREET, OTTAWA

Question No. 337—**Mr. Richard:**

1. Has the crown, through the national capital commission or otherwise, acquired property on the east side of Sussex street in the city of Ottawa, for the purpose of implementing the so-called "Mile of Living History" in connection with the centennial celebration of confederation in 1967, and, if so, (a) have expropriation proceedings been taken to acquire the real estate in that area (b) how many properties have already been acquired, and what has been the cost of such acquisitions (c) how many properties remain to be acquired, and what is the estimated cost (d) is it the intention of the government to proceed with the plan and to restore the properties so acquired to their original appearance and use?

Inquiries of the Ministry

2. What are the immediate plans of the government for the demolition of the properties owned by the crown on the north side of Sussex, particularly, the Daly building, the temporary buildings of the national revenue department and the block facing Notre Dame basilica?

ACQUISITION OF PROPERTY, OTTAWA

Question No. 338—**Mr. Richard:**

Has the crown, through the national capital commission, acquired real estate in the city of Ottawa in the area north of Boteler street between Sussex street and the Rideau river, and, if so, (a) what is the official description of the area (b) was the acquisition done through expropriation (c) what is the total estimated cost of the acquisition of the said land and property (d) how many settlements have been made to date, and what is the total amount of consideration paid therefor (e) will any of the present occupants of the properties in the said area be allowed to remain thereon and, if so, for what period of time (f) how much of the parcel in the Boteler-Sussex area so acquired is to be reserved for approaches to the Macdonald-Cartier bridge (g) is part of the said area being reserved for the use of the public works department for the erection of government buildings and, if so, how many buildings will be erected thereon, and has the selection been made?

OWNERSHIP AND MAINTENANCE OF PROPERTY, OTTAWA

Question No. 339—**Mr. Richard:**

1. Does the crown or any of its agencies own property lying on King Edward avenue between Boteler and Rideau streets in the city of Ottawa?
2. Has the national capital commission or its predecessor the federal district commission, made any arrangement in the past with the corporation of the city of Ottawa to maintain any part of King Edward avenue?
3. Have any plans been made by the national capital commission to contribute to the restoration and improvement of the drive on King Edward avenue from the Minto bridges to Rideau street?

UNITED NATIONS

NUCLEAR TESTING—REPORTED NEW PROPOSALS BY U.K. AND U.S.

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): I should like to address a question to the Secretary of State for External Affairs. In view of what we read in the press and hear over the radio regarding new advances being made by the United Kingdom and the United States to the Soviet union with respect to the ending of atomic tests, is the minister in a position to let the house and the country know whether he is hopeful in this regard, and what representations or suggestions Canada has made in order to bring about an agreement on this matter so long under consideration?

Hon. Paul Martin (Secretary of State for External Affairs): As the prime minister has mentioned—

[Mr. Richard.]

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): I must say, Mr. Speaker, I deserve the censure I am receiving from the Minister of Labour who complains about this persistent error which is now becoming so classic that it has no meaning whatsoever. The Prime Minister says "Don't do it again." He will forgive me if I say he made the same mistake a few days ago. However, there is no significance in the mistake either now or in the future, so the right hon. gentleman should not draw any wrong conclusions.

As the prime minister—

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): As the right hon. gentleman has just noted, the Prime Minister of the United Kingdom and President Kennedy have personally communicated with Premier Khrushchev on this matter in recent weeks. It has now been announced that agreement has been reached to hold further talks in Moscow, probably in July. It is our understanding that these talks will not be at the foreign minister or head of government level, but will involve senior representatives of the three countries. President Kennedy has also stated that the United States will refrain from atmospheric nuclear tests as long as other states do not test in the atmosphere.

We welcome this initiative of Great Britain and the United States to bring a halt to nuclear testing. We hope the projected talks in Moscow will result in a comprehensive agreement. This government is fully committed to the goal of ending all nuclear tests by international treaty. We shall continue to do everything in our power to achieve this end.

POWER

COLUMBIA RIVER—OPPORTUNITY FOR REPRESENTATIONS ON TREATY

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to address a question to the Secretary of State for External Affairs. My question is of urgent national importance and is the result of many inquiries I have received in recent days.

In view of the keen interest and concern of many labour, farmer, business, women's and other organizations in the renegotiation of the present draft Columbia river treaty, and their desire to present their views to the external affairs committee before any decisions are made, would the minister inform the house if an opportunity will be provided for members of these organizations or other

persons to bring their views before the external affairs committee prior to a final agreement being reached with the government of British Columbia, or prior to any final agreement with the government of the United States?

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I thank the hon. gentleman for giving me notice of his intention to ask this question. I can only say that I would refer him to what I said on June 5 in answer to a similar question by the hon. member for Burnaby-Coquitlam.

Mr. Herridge: A supplementary question. Reference to that answer is not an answer to my question. I asked two questions of the minister today. I think in fairness to the people concerned we are entitled to an answer, and I would like an answer to those two questions. The question asked the other day was answered in very general terms.

Mr. Martin (Essex East): Mr. Speaker, I have before me what I said that day, as reported on page 674 of *Hansard,* and I would repeat it to the hon. gentleman:

> All aspects of the treaty, as well as all aspects involved in what I hope will be a firm agreement between the government of Canada and British Columbia, will be open for examination and discussion in this house and in the external affairs committee.

Mr. Herridge: That means, Mr. Speaker, that persons wishing to present their views will have the opportunity after the government has reached a firm agreement with the government of British Columbia; after decisions are made.

Mr. Martin (Essex East): Mr. Speaker, I think I have answered the hon. gentleman's question. I have pointed out that there will be no ratification of the treaty until such time as this matter has been discussed in this house and in the external affairs committee. The agreement between the government of Canada and the province of British Columbia hinges completely on whether or not there is ratification of the treaty.

[*Later:*]

Mr. Herridge: I should like to address another supplementary question to the Secretary of State for External Affairs. In view of the promises made by the Prime Minister in numerous letters to my constituents and other persons in British Columbia that a Liberal government would renegotiate the Columbia treaty, that no decision would be made until persons interested were consulted, does the minister think that that promise is being kept by asking people to come here after an agreement has been made with the government of British Columbia and also with the government of the United States?

Mr. Martin (Essex East): I want to assure my hon. friend that if he will carefully examine the reply I made today, and the replies on other occasions, he will see that the government is living up to the assurances given to the Canadian people by the Prime Minister.

CANADIAN CONSTITUTION

STEPS TO BRING ABOUT CANADIAN CONTROL

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is to the Minister of Justice; I gave him notice of it the other day. Would the Minister of Justice be good enough to inform the house whether any steps are being taken by the government with a view to bringing the Canadian constitution under Canadian control before the celebration of Canada's one hundredth birthday in 1967, and what steps are proposed, if any?

Mr. Speaker: I regret to advise the hon. member that there is no real basic urgency in that question and I would suggest he put it on the order paper.

Mr. Brewin: Mr. Speaker, on a point of order it is going to take a very long time apparently—

Mr. Speaker: There is no point of order.

(Translation):

NORTHERN AFFAIRS

QUEBEC—ADMINISTRATION OF EDUCATION FOR ESKIMOS

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Prime Minister. Does the government propose to agree to the request of the Quebec government that it be entrusted with the administration and the education of the Eskimos of new Quebec?

(Text):

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, that is a question of government policy, and we will deal with it as soon as possible.

LIVESTOCK

SASKATCHEWAN—MARKETING OF CATTLE BECAUSE OF DROUGHT

On the orders of the day:

Mr. Lawrence E. Kindt (Macleod): Mr. Speaker, one of the worst droughts in history is taking a very heavy toll in southern Alberta and the southwestern corner of Saskatchewan.

Thousands of cattle are concentrated in this drought stricken area and some liquidation of breeding stock is inevitable.

Mr. Speaker: Order. I am sorry to interrupt the hon. member—

Mr. Kindt: I am coming to the point.

Mr. Speaker: If the hon. member has a question will he put it.

Mr. Kindt: Yes. The price impact if these cattle are thrown on the market, will lower the price for all cattle producers and livestock feeders.

Some hon. Members: Order.

Mr. Kindt: Will the Minister of Agriculture inform the house as to the type of action program which he has worked out and which he stands ready to implement to meet the situation?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, in answer to the hon. member may I say I was speaking to my ranch people today and it has been raining since Friday, and a lot of them are going to have to go to church to get the rain to stop.

Mr. Kindt: A supplementary question and a correction. The amount of rain at Pincher Creek was .39 inches; the amount of rain at Calgary was .13 inches—

Some hon. Members: Order.

Mr. Kindt: —and the amount of rain at Medicine Hat was .03 inches. I just got that from the weather bureau, so the Minister of Agriculture is completely out of order.

Mr. Speaker: Order.

Mr. Kindt: I want to raise a question of privilege.

Some hon. Members: Oh, oh.

Mr. Speaker: Order. It is one of the attributes of the Speaker that I can stand longer than most other people. May I point out that we are entering into a debate. If the hon. member has a point of order or question of privilege would he please state it.

Mr. Kindt: I have, sir, in that the Minister of Agriculture has seen fit to make a statement to this house which is totally incorrect and thereby impute—

Mr. Pickersgill: Mr. Speaker, a point of order.

Mr. Kindt: —that my question was wrong, and I will take care of the hon. member for Bonavista-Twillingate. I am talking on a point of order.

[Mr. Kindt.]

Mr. Speaker: Order, please. This must be my day. Has the Secretary of State a contribution to make?

Mr. Pickersgill: I was rising, sir, to point out that no question of privilege can arise with respect to an answer to a question. It seems to me, in the circumstances, that the hon. gentleman was out of order in raising what purported to be a question of privilege.

[*Later:*]

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I should like to address a question to the Minister of National Defence arising out of the answer he gave a few minutes ago. If in fact the conditions suggested by the hon. member for Macleod are true, and I believe they are, will the minister give favourable consideration to making a greater grazing area available at the Suffield research station?

Hon. Paul Hellyer (Minister of National Defence): I will have to take that question as notice.

TRADE

RED CHINA—REPORTED REFUSAL TO PERMIT EXPORT OF AUTO PARTS

On the orders of the day:

Mr. Barry Mather (New Westminster): Mr. Speaker, I have a question I should like to direct to the Minister of Trade and Commerce. As alleged by the Grain Import Company Limited of Vancouver, has the federal Department of Trade and Commerce declined to issue export permits for auto parts, including 100 per cent Canadian made auto parts, destined to the People's Republic of China? Further, is it true that in some cases when such permits were granted United States controlled firms in Canada declined to sell the goods?

Mr. Speaker: Order. Before the minister answers I would point out that I do not see any particular urgency in this question. This is a question for the order paper.

WHEAT—INQUIRY AS TO NEGOTIATIONS WITH RED CHINA

On the orders of the day:

Mr. Jack McIntosh (Swift Current-Maple Creek): I should like to address a question to the Minister of Trade and Commerce. Has the delegation to red China been successful in negotiating any sales of Canadian wheat to that country? If so, how much and at what price?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Negotiations are proceeding in the normal manner, and it will be some time before I will be able to make an announcement.

EUROPEAN COMMON MARKET—TARIFF INCREASE ON CHICKENS

On the orders of the day:

Mr. J. H. Horner (Acadia): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Because of the increase in tariff on broiler chickens from the United States entering the European common market, can the minister assure the house that similar tariff increases will not be made against agricultural producers in this country?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, I do not see the urgency of the question. I should like the hon. gentleman to put it on the order paper.

ADMINISTRATION OF JUSTICE

QUEBEC—ALLEGED TREATMENT OF ARRESTED F.L.Q. SUSPECTS

On the orders of the day:

Mr. R. W. Prittie (Burnaby-Richmond): Mr. Speaker, I have a question for the Minister of Justice relating to the one I asked him on Friday with regard to the F.L.Q. suspects in Quebec. I realize and understand the minister's reluctance to involve himself in the administration of justice in a province, but I want to ask him this question. Will he ask for an opinion to determine whether the actions taken under the coroners' act of the province of Quebec in holding suspects are not in contradiction of section 438 of the Criminal Code, which requires that arrested persons be brought before a magistrate within 24 hours if a magistrate is available and as soon as possible if one is not immediately available?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, I understand that the act under which certain people have been detained in the province of Quebec is a provincial act; therefore it would seem to me that the bill of rights has no application to that act. Even if the bill of rights did apply to that act, I do not think the Minister of Justice sits in judgment on the matter. Even if the bill of rights did apply it would be up to the individual to proceed by way of habeas corpus, by way of a suit for damages for illegal detention or by way of a suit for damages for assault, but it is certainly not the prerogative of the Minister of Justice to give advice in a matter of this kind.

Mr. Prittie: May I correct the minister on one point. I did not refer to the bill of rights. I referred to the Criminal Code, section 438.

Mr. Speaker: Order. I am sorry, but I must interrupt the hon. member.

HOUSE OF COMMONS

AVAILABILITY OF COPIES OF BILL C-72

On the orders of the day:

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have a question for the Secretary of State in his capacity as house leader. Last Friday this house gave first reading to Bill No. C-72, an act respecting the economic council of Canada. On Saturday the Ottawa *Citizen* carried a very full story regarding the intentions of the government with respect to this bill and providing information that the Prime Minister did not provide in his speech to the house.

On Saturday I came up here to get my copy of the bill. I did not get it; it had not come in the mail. I came up here this morning expecting to get it, and it was not in the mail. I came into the chamber an hour before the house met this afternoon and it was not on my file. Yet it had been given to the press at least on Saturday if not on Friday. Has the minister any explanation he would like to give the house?

Hon. J. W. Pickersgill (Secretary of State): No, Mr. Speaker. I will be very glad to have inquiries made. I inquired at the table myself if copies would be available and was told that a few copies were available, and I suggested that the printing should proceed as quickly as possible. I regret very much that this should have occurred, and I shall make inquiries.

LABOUR RELATIONS

VANCOUVER—STEPS TO PREVENT STRIKE OF LONGSHOREMEN

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I should like to direct a question to the Minister of Labour and I am sorry I was not able to give him notice. For some reason or other nobody was answering his telephone this morning. In view of the fact that the longshoremen's union in Vancouver is taking a strike vote tomorrow, and no one with any sense of responsibility wants to see a stoppage of work in this major seaport, can the minister tell us if his department is making any special endeavour to bring the employers and employees together in anticipation of reaching an amicable settlement of the dispute?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, officers of the Department of Labour are in close touch with this situation on the west coast. My information varies somewhat from the information conveyed in the question of the hon. member. I will check our common information with respect

to the taking of a strike vote, and when I have checked I may be able to give my hon. friend some more information as to the possible activities of the officers of the department in this situation.

AGRICULTURE

INQUIRY AS TO ACREAGE PAYMENT

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for the Minister of Agriculture. In view of the conflicting reports, one stating that there is too much rain and the other that there is insufficient rain, and in view of the expressed intention of the government to live up to commitments, real or otherwise, entered into by the previous government, will the Minister of Agriculture say whether the government does not consider that it has a moral obligation to give an acreage payment at this time?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, it was my understanding that acreage payments were given just before elections. I can assure the hon. member that these things are being watched very closely by our department.

Hon. D. S. Harkness (Calgary North): A supplementary question, Mr. Speaker. Is the Minister of Agriculture aware of the years in which acreage payments were made and, if so, would he give them to the house?

ALBERTA—REQUEST FOR IRRIGATION ASSISTANCE UNDER ARDA

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): I should like to direct a question to the Minister of Agriculture. Has the minister given any consideration to a recent request made by the western and eastern irrigation districts of southern Alberta for financial assistance under ARDA to help purchase new equipment and dig proper ditches to adequately irrigate the southern part of Alberta, now suffering from a serious drought?

Hon. Harry W. Hays (Minister of Agriculture): There has been no request pass across my desk as yet.

CROP INSURANCE—APPROVAL OF MANITOBA PLAN FOR REINSURANCE

On the orders of the day:

Mr. Eric Stefanson (Selkirk): I should like to direct a question to the Minister of Agriculture. Has the minister had an opportunity to consider the request of the province of Manitoba relating to the Crop Insurance Act, and has he given approval to the Manitoba plan for the federal government to issue reinsurance?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, Manitoba does, of course, have a crop insurance plan. I shall have to take the question as notice and give a detailed answer later.

(Translation):

PROVISION OF FEED GRAIN FOR EASTERN FARMERS

On the orders of the day:

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I want to ask the Minister of Agriculture a question. Could he tell the house what provisions the government proposes to make in order to help eastern farmers to acquire feed grain at reasonable prices?

(Text):

Hon. Harry W. Hays (Minister of Agriculture): This is a matter of government policy which is now under study, and an announcement will be made at the appropriate time.

FINANCE

IMPORT SURCHARGE ORDER—OPINION AS TO CONSISTENCY WITH BILL OF RIGHTS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Minister of Justice, notice of which I sent to him this morning. In view of the government's announcement that legislation will shortly be introduced to validate the taxation imposed by order in council last June 24, will the Minister of Justice take steps to have a revision made of the legal opinion given to the House of Commons last session, in a sessional paper laid on the table of the house, to the effect that the provisions of the surcharge on imports order were not inconsistent with the purposes and provisions of the Canadian Bill of Rights?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, I am grateful to the hon. gentleman for sending me notice of his question. The answer is that section 3 of the Canadian Bill of Rights requires the Minister of Justice, in accordance with regulations, to examine draft regulations and bills introduced in the House of Commons in order to ascertain whether they are inconsistent with the bill of rights, and the minister is required to report any such inconsistency to the House of Commons.

Under the regulations, the bills and regulations are examined by the deputy minister and he attaches his certificate, as required by the regulations, that they have been examined in accordance with the provisions of the bill of rights. The certificate does not state whether or not they are inconsistent with the bill of rights. Any representations the deputy might have to make would be made to the minister for his consideration in forming his opinion. There was no report to the minister from the deputy minister on the bill of rights in connection with the surcharge order.

In the present case the certificate did not, as suggested by the question, indicate approval so far as the bill of rights was concerned; it merely stated that the surcharge order had been examined. This is a statement of fact, and there is therefore nothing to revise.

Mr. Knowles: A supplementary question, Mr. Speaker. Do I take it from what the minister says that the signature of the deputy minister of justice on these hundreds of proposed bills and proposed regulations really has no meaning at all?

Mr. Chevrier: I would not say it has no meaning at all. It has this meaning, that in so far as parliament is concerned there is no inconsistency in these bills or regulations. It is up to parliament to determine what the position may be. For instance, the Minister of Justice could not be expected to issue a certificate to parliament that a measure is consistent with the bill of rights. This would be a matter for parliament in the first instance, and for the courts in the last instance. What the Minister of Justice might reasonably be expected to do is draw to the attention of the house any provisions that, in his judgment, do offend the bill of rights. The house could then take such action as it sees fit.

Mr. Knowles: Mr. Speaker, may I ask a further supplementary question. In view of the minister's statement that the signature of the deputy minister on this certificate means that there is nothing objectionable in the light of the bill of rights, does the minister not now think that the opinion implied in this case should be revised, in view of the uncertainty that has arisen about this order in council?

Mr. Chevrier: If that were revised then, I take it, the regulations under the act would have to be revised, and perhaps the act itself. The statement appended to the order in council, which I have here, reads, "Examined as required by the Canadian Bill of Rights," and that is made pursuant to the regulation. The regulations quite clearly state, in sections 4 and 5, what the authority of the deputy minister is under the circumstances.

GRAIN

POSSIBLE INCREASE IN GRAIN HANDLING CHARGES

On the orders of the day:

Mr. J. E. Pascoe (Moose Jaw-Lake Centre): I should like to direct a question to the Minister of Agriculture, which he will probably take as notice. I believe the question should be directed to him, although in the light of the triple shuffle of responsibility for agriculture I am not sure. Has the minister been informed of the meeting of the board of grain commissioners in Vancouver in the near future to consider a possible increase in elevator grain handling charges? Has his department any power to regulate these charges, any increase in which would be of great concern to prairie farmers?

Hon. Harry W. Hays (Minister of Agriculture): I will take that question as notice.

WHEAT—STATEMENT AS TO QUOTAS

On the orders of the day:

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, at the last sitting of the house the hon. member for Lisgar asked me this question:

> In view of his recent statement that an open quota on wheat would not be reached this crop year, could he inform the house how large a quota can be expected, and will it be equalized across western Canada?

My answer is that at the present time the Canadian wheat board is conducting a survey among the country elevator operators across western Canada designed to determine how much additional grain farmers wish to market prior to the end of the crop year. The results of this survey will be available and tabulated in about two weeks time. Until this has been done an estimate cannot be made of the quota level that will be reached by the end of the crop year.

Hon. D. S. Harkness (Calgary North): May I ask a supplementary question. How much elevator space is available to take in grain during this period?

Mr. Sharp: I am sorry, I do not carry the figures in my mind. I shall make inquiries, however.

(Translation):

LOTTERIES

INQUIRY AS TO AMENDMENT OF CRIMINAL CODE

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I want to ask the

Minister of Justice a question, following an answer he gave to a question of mine in the early days of this session.

Could the minister tell the house whether he has given consideration to the voluminous file on lotteries, in order to amend the Criminal Code if necessary?

Hon. Lionel Chevrier (Minister of Justice): Yes, Mr. Speaker, I did make a start in this respect. I am now studying the whole question carefully. I even read a resolution which was adopted by the Federation of Canadian Municipalities. From time to time I receive representations expressing divergent views, and I am carefully considering the matter.

Mr. Pigeon: Mr. Speaker, I have a supplementary question—

(Text):

Mr. Speaker: I have serious doubts about whether that question is in order. I suggest that it should be put on the order paper.

PENITENTIARIES

DRUMHELLER—REQUEST FOR CONSTRUCTION OF INSTITUTION

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): I should like to direct a question to the Minister of Justice. In view of the serious unemployment problem in Drumheller valley, and in view of the statement that was made by a top civil servant in reference to penitentiaries, in which he was reported in the Calgary *Herald* as saying that the penitentiary would be built in 1964, may I ask if that is now a decision of this government?

Hon. Lionel Chevrier (Minister of Justice): No, Mr. Speaker, it is not. The decision originally taken was that it was not to be built until 1964-65. Since my hon. friend raised the question some time ago I did intend to speak to the commissioner about the matter. Unfortunately he has been in western Canada and only returned last night. I will have a discussion with him, and hope to be able to have a reply for the hon. member in due course.

HEALTH AND WELFARE

CONFERENCE ON RELATION BETWEEN SMOKING AND CANCER

On the orders of the day:

Mr. Barry Mather (New Westminster): I should like to direct a question to the Minister of National Health and Welfare, of which I have given her notice. In view of the minister's very praiseworthy press announcement over the week end that she will call a national conference on the relationship between cigarette smoking and cancer, I wonder if she could indicate at this time if the conference will be held in Ottawa and if it will be held this year.

Hon. Judy V. LaMarsh (Minister of National Health and Welfare): I thank the hon. member for giving me notice of his question. In answer I would say it would be hoped such a conference when held would be held in Ottawa. As to the timing, this would depend first upon the decision of those who wish to attend. In any event I would hope it would be held before the end of this calendar year.

FORESTRY

FEDERAL AID IN PROTECTION AGAINST FIRE AND PESTS

On the orders of the day:

Hon. J. R. Nicholson (Minister of Forestry): Mr. Speaker, on Friday last the hon. member for Vancouver East asked if I would advise the house as to whether any special consideration was being given—

—for aid to the provinces or the forest industry in the protection of the forest resources of Canada in general, and of British Columbia in particular, against the hazards of fire and pests.

I stated that in view of the general nature of the question I thought the answer would be a long one, since it involved ten provinces and more than one department of the federal government. I have prepared an answer and I would like to file it, but I think the hon. member would be interested to know that there was only one request for assistance to the federal government this year. That was in connection with a fire north of Maniwaki, Quebec, and in that case the armed services moved in quickly. It was a request for communications help, which was given readily.

So far as British Columbia is concerned, the fire hazard has shown improvement during the last few days, having dropped from high to moderate.

[*Later:*]

Hon. Gordon Churchill (Winnipeg South Centre): On a point of order, Mr. Speaker, just a few moments ago the Minister of Forestry talked about filing an answer. I am not clear what that meant, or what happened to it. Is it a long document?

Mr. Nicholson: I should have said tabled rather than filed.

Mr. Speaker: Does the house give unanimous consent to the minister to table the document?

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, I understand the minister merely meant to table the answer, to lay the answer on the table; so no problem arises.

NATIONAL DEFENCE

FORT CHURCHILL, MAN.—U.S. ROCKET TESTING PROJECT

On the orders of the day:

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, last week the hon. member for Churchill asked a question of the Secretary of State for External Affairs with regard to U.S. rocket testing at Fort Churchill. Rocket launchings at the research range at Fort Churchill have only recently been resumed, following the restoration of research facilities destroyed by fire early in 1961. These launchings are conducted at Fort Churchill under an agreement made between the governments of Canada and the United States in 1960.

The experiments consist of two main types, as follows: (a) the launching of high altitude rockets to obtain measurements of the upper atmosphere. These research projects are designed and conducted by governmental research agencies and universities of Canada and the United States; and (b) the launching for test purposes of rockets being developed for use in upper atmosphere research. This is a Canadian program in entirety.

The construction and restoration program resulting from the fire is expected to be completed by midsummer, to accommodate a total of about 70 high altitude rockets to be launched in the period July 1, 1963 to June 30, 1964. This total includes six Canadian rockets to be launched for flight test purposes. It is expected that in future years operations will be on a similar scale.

INDUSTRY

PROVISION FOR ESTABLISHMENT OF DEPARTMENT

The house resumed, from Friday, June 7, consideration in committee of the following resolution—Mr. Pearson—Mr. Lamoureux in the chair:

That it is expedient to introduce a measure (a) to establish a department of industry to be presided over by a minister of industry who shall be appointed under the Great Seal of Canada, to authorize the appointment of a deputy minister by the governor in council and to provide for the appointment to the department on a temporary basis of persons having special knowledge of manufacturing industries to assist in the work of the department; (b) to provide for the establishment under the direction of the minister of an area development agency and to provide for the appointment of a commissioner and a deputy commissioner for area development; and (c) to make a consequential amendment to the Salaries Act to provide a salary for the minister.

The Chairman: Shall the resolution carry?

Mr. Nowlan: Mr. Chairman, on Friday afternoon we saw a great example of co-operation between the opposition parties and the government in proceeding with legislation, and possibly because of the speed with which we were operating I spoke in more general terms than I otherwise would have in dealing with this specific resolution. Now, in the few minutes left to me perhaps I can pinpoint and bring into focus the remarks I made at that time.

We are dealing with a resolution which envisages the division of the Department of Trade and Commerce into two departments, one of which will be a department of industry and the other which may retain the name trade and commerce. The reason given for this proposal is the necessity of emphasizing the development of industry in Canada. I want to make it very plain, Mr. Chairman, that we of the official opposition are fully in accord with the government in stressing the importance of developing industry in every way, shape and form.

The other afternoon the Prime Minister referred to the employment which would flow from an increase in secondary industry. With that we are also fully in accord. There is no doubt that secondary industry must develop if we are going to provide the employment which the country requires, but I question the necessity of dividing the department into two compartments in order to place a greater emphasis on the development of industry.

I suggested on Friday, and I repeat now, that such a division is not necessary, and the justification for that stand lies in the record of what the Department of Trade and Commerce has done during the last few years in developing secondary industry. In the few minutes left to me I am not going to take time to put the figures on the record, showing the tremendous development which did take place over the last few years in the manufacture of cars and the increase in steel production. There was an increase in almost every facet of our industrial life, and that in itself is an answer to the argument that the department must be divided in order to achieve greater efficiency. In fact I suggest that this division will increase bureaucracy and reduce efficiency, rather than increase it.

It may well be that the name of the department should be changed from trade and commerce to trade and industry, or even industry and trade, because due recognition must be paid to the important part industry has to play in the development of our country. However I do not think that will be accomplished by putting trade and industry in two watertight compartments. As I asked the other day, where does industry stop and trade begin? If one reads the remarks of the

Prime Minister in introducing this resolution on Friday the answer to that question is found there.

As recorded at page 802 of *Hansard* for June 7 the Prime Minister referred to the fact that the resolution of our problems did not lie in an increase in protection, with which I agree entirely. I shall not quote him exactly but hon. members will find his remarks at pages 802 and 803 of *Hansard*, where he said that if industry were to develop it would be necessary to increase our trade, and that we would have to seek out markets in the new countries of the world. Certainly that is true. There is no use in manufacturing goods unless they are sold; and I suggest again, sir, that the arguments made by the Prime Minister on Friday afternoon in dealing at some length with markets around the world—Asia, Africa, South America; he mentioned them all—show a good reason why we should maintain trade and industry working together, in developing manufacturing on the one hand and selling on the other, rather than put them into two separate, watertight compartments.

What will we have after these measures are put through, presuming they are implemented? On Friday afternoon we passed a resolution setting up the economic council. This, as I think I said the other day, will come, presumably, judging from press reports I have read—and I think perhaps it is in the speech from the throne, although I am not sure of that. It is apparently the intention of the government to have this economic council come under the aegis, the care, the eye of the President of the Privy Council. This is the body which is going to give advice on the development of the economy of this country; it will be done under the President of the Privy Council.

If the legislation based on this resolution is adopted we will have a minister of industry on the one side of the clock, if you like; we will have a minister of trade on the other side, and down at the bottom we will have the Minister of Finance who is responsible for the fiscal and financial policies of this country. If that is not a cumbersome practice to follow, Mr. Chairman, I would like to know what is. I do not know how we will get efficiency in the development of trade and commerce and the economic development of this country when we have not only a bifocal, but something like the Irishman's clock. When asked how it operated, because no one could understand it, the Irishman said, "When the hands point at nine and the clock strikes seven, then I know it will be half past eleven". That is roughly the Irishman's clock which is being created by this government in its attempt to streamline and develop the economy of this country.

One could go on at length with that matter, Mr. Chairman, but I do not propose to do so. I want to refer to one other matter in this connection. The Prime Minister said this is going to be a merger, a common law marriage or alliance of some kind, between the new department of industry and the old Department of Defence Production. We will have the minister who is now responsible for the Department of Defence Production being responsible not only for that but for the department of industry also. Then off in one corner, when he gets time to look at it, I take it we are going to have an organization for the development of areas where unemployment exists. We are going to have the minister looking after that also. I wonder just how much time the Minister of Defence Production is going to have to give to this emerging, most important department of industry.

We listened to the Minister of Defence Production when he came back from Washington the other day. I noticed that he almost had a prayer on his lips when he was asked whether he thought sales of defence equipment to the United States could increase. I think he dealt with the matter frankly and said there would be difficulties in that connection. He also pointed out that there would have to be increased purchases from the United States if increased sales were to take place, because Canada is not the only country in the world which from time to time has suffered or is suffering from a balance of payments problem. He has a real problem in that connection, and I think there will be some anxiety on the part of those who were possibly looking forward to the creation of a department of industry, as to which is going to be the tail and which is going to be the dog in the new set-up which is envisioned in this measure. We not only have the four facets of it, but we have sleeping under the same blanket, somehow or other, an uneasy alliance. The Department of Defence Production and the problems which can arise I think are going to be such that one cannot expect too much development in the department of industry.

These are matters which, as I said, are the responsibility of the government. As far as we of the opposition are concerned, naturally we are waiting for the bill. When the bill is before us we can discuss its terms at greater length and see what the government has in mind with respect to it, and we will then be in a position to decide what action we shall take clause by clause or on the bill as a whole. I simply repeat, Mr. Chairman, that I do not think this will promote the efficiency of the department and it will not accomplish

the very laudable ends which the Prime Minister specified in his speech. I am wondering how many of these things were born during the times of stress and strain when one was flitting from one place to another during an election campaign and it was necessary or thought advisable to make pledges which now, in the cold light of reason, may seem rather awkward or cumbersome to carry out. If that should be the case, I would suggest to the government that they reconsider this measure before they go further with it.

Mr. Leboe: Mr. Chairman, the remarks of the genial Prime Minister prompt me to rise in my place and speak this afternoon on this resolution, chiefly because I differ greatly with him in his approach to the basic problem, which is unemployment. I refer to unemployment because of the remarks of the Prime Minister to which I should like to refer in order to point out exactly what I mean. As reported at page 802 of *Hansard* he said this:

> What ... are to be the sources of the new wealth and employment which Canada needs? Where are we going to provide the jobs for the 250,000 young people by which our labour force is going to increase in each of the next few years?

I agree with the Prime Minister that this is a problem, but I am saying that I do not agree with the approach to the problem and the purpose of industry as outlined by his remarks. Further on he said:

> Where will we find, in addition, the new jobs that are needed to keep pace with automation and other technological changes—

Then further on:

> —manufacturing industry, secondary industry, is the source from which the new wealth and the new employment must largely come.

These statements indicate to me that the purpose behind this new ministry is to get industry going for the providing of jobs. I do not think that is the purpose of industry. The purpose of industry, to my mind, is solely to produce goods and provide services. To that end industry is bent to use all the means at its disposal in order to produce the greatest amount of goods and services at the least cost; in other words, there is keen competition. I notice, too, that the Prime Minister has related the bringing in of this resolution to establish a ministry of trade with the measure relating to the Canadian economic council which was previously passed by this house. I think if he had related it to the proposed municipal development fund in connection with providing job opportunities we would be far, far in advance of where we will be if we take the stand the Prime Minister has taken here in introducing a measure for the establishment of this new ministry. I find that in following the reasoning of the Prime Minister throughout he has stepped very gingerly into the political field of relations between the provinces and the federal government when he says that this will in no way lessen or interfere with provincial responsibilities, and the new federal department will not in any way create new federal responsibilities.

In this connection I should like to suggest to the Prime Minister that if his thinking in connection with this ministry were related to the municipal development fund, we would be getting down to a solid foundation from which we could build. To my mind the business of expecting industry to provide jobs by the production of goods and services, which may or may not be sold, is a horse and buggy way of trying to solve a very, very acute problem. I believe we must get to the root of this problem. We must bring about employment in such a way that the price of the product does not include the cost of creating these new opportunities. What better way could be found of doing this than through a municipal development fund and the public works which would be embarked on as this fund begins to operate?

I hope that during the committee stage some consideration will be given to where this money is coming from, but I shall not deal with that aspect of the subject now. The jobs which will be created as a result of the use of the municipal development fund will create, in turn, a market for goods and services where there is no market today. Putting men to work will create a market, and industry will respond, as it always has responded to new markets. As far as Canada is concerned, there is no such thing as a foreign market. There is only trade. We send something out of Canada, and countries abroad send something back. We have nothing in the way of a market, in reality. If, then, our market is a domestic market, we have to develop that market here. This fund will create a climate in which industry can make progress. Then industry, itself, in meeting the demands of the market, will be able to employ more people who will, in turn, require more goods and services—a snowball effect which will, as it develops, solve to a great extent the problem of unemployment, possibly even to the extent suggested by the Prime Minister, by bringing about a situation in which we can encourage more people to enter Canada from countries outside by way of a revived immigration program. We need such a development badly in Canada today, because a greater population would reduce the per capita cost of many large scale undertakings including, for example, the railways. One of our problems in Canada today is that we have two railways across the length and

breadth of the country and a sparse population to support their operation. The result is a high charge falling on the individual. In addition, an increase in our population, both naturally and as a result of increased immigration, would stimulate the production of goods and services.

Today we face a serious situation in the distressed areas of Canada. The thought which is embodied in this legislation is, apparently, that such areas will become the targets, as it were, of the new ministry which is to be created along with the economic council. I say that the increased population which will result if we start at the right place and follow correct policies will bring about a much improved situation as far as these depressed areas are concerned. This will come about automatically because of the new markets which will spring up in the distressed areas as a result of the growth in the population.

I should like to leave this thought with the Prime Minister, that we should seriously consider bringing about, through the municipal development fund, a situation in which an expansion in industry would come about naturally on the basis of supply and demand. I hope that before the present debate is over other hon. members will spend some time discussing this particular point, because I believe that the provision of incentives to industry to produce goods as a means of producing jobs is not the way to solve this problem. The answer lies in creating, through financial and other means, a climate in which the people of Canada can buy back what they themselves produce. I think the answer lies in the people's ability to buy back their own production. If we could bring such a situation about, I am sure a far better and sounder economy would be ours.

Mr. Scott: In speaking to the resolution at this stage I should like to say that we have examined the resolution and the Prime Minister's speech in some detail. While we are anxious to support any measures which will be beneficial to industry in Canada generally, both the resolution and the speech itself raise problems in our minds, and we should like to put forward certain questions in the hope that the government might elaborate on these points when the bill comes up for second reading. We do not wish to spend very much time on the resolution; we want to have the bill before us so that we may examine it in detail.

The first question I wish to put to the government is this: what exactly is being created by this resolution? Is it another government department with the usual limited statutory authority, or is the government endeavouring to create a planning instrument designed to carry out the program and advice of the economic council of Canada? Examination of the Prime Minister's speech on this subject does not make this distinction clear. As reported on page 801 of *Hansard*, the right hon. gentleman said:

> The point and purpose of the department of industry which it is proposed to set up will be to assist in transmitting these various ideas into effective action.

He was referring to the ideas of the economic council. Then, further on, as reported on page 802, he said:

> The bill . . . is one to create a department which will be for the manufacturing industry what the Department of Agriculture is for farmers.

With respect, it seems to me one cannot have both. If we are creating another department of government it is one which will surely be equal with the other departments, without power to encroach upon the preserves of those other departments or in any way to co-ordinate the work of such important ministries as those of trade and commerce, labour and finance. On the other hand, if what we are attempting to create is a planning agency to carry out the programs and intentions of the economic council, surely this new department will need the very powers I have mentioned—power to co-ordinate the work of other departments, to review their activities and draw those activities together.

It seems to me, then, that it is essential at this stage to know whether we are merely creating another department of government or whether we are attempting, as the Prime Minister seemed to suggest, to create an agency which would put into effective action the programs and policy of the economic council. If we are, in fact, creating an agency to carry out the ideas of that council, how is the department going to put into practice the advice of that council? Again, if we examine the speech made by the Prime Minister on the resolution, there is no definite indication of how this desirable end will be brought about. The right hon. gentleman's speech contained many phrases such as "to maintain close and direct contact with industry" and "to make sure that industry gets service from the government". There is this further expression: "a department to which manufacturers can come to find out what is going on, to get advice and help in their problems", and this further one: "to provide a focal point". To take these phrases together seems to indicate that you are building essentially an advisory assistance bureau chiefly concerned with making information available to industry in this country and hoping it will act upon your recommendations. Then at another point in his speech in referring to the department of

industry the Prime Minister goes on to say—and this to me is the more interesting part—that it will be concerned with translating into specifics the more general ideas about economic growth generated in the economic council. Then at another point he said that it will be concerned with the building rather than the blueprints of the expanding economy.

I should like to ask the government, what powers is this agency to have so that it can co-ordinate the work of the various departments? If it is going to carry out the views and ideas of the economic council, what will be its relationship to, and power over, such agencies as the economic council, the Atlantic development board, the municipal loan fund, the proposed Canadian development corporation, the national productivity council, other departments of government and crown agencies? If it is going to have any degree of responsibility for the co-ordination of all of these, as it would have to do, to carry out any sort of economic plan, we should like to hear on second reading what proposed powers this agency is to receive from the government.

Mr. Chairman, the resolution and the speech accompanying it made special mention of the need to rely on manufacturing and secondary industry as our future source of growth of jobs. Does this mean that it will not concern itself with the wide area of the service industries which are the agencies in and the area of our economy which are growing in employment and are providing a large portion of our present jobs? We should like to know the relationship of this department to the whole service industry and the jobs it provides. We should also like to know what is the real purpose of this department. If its real purpose is to carry out the advice of the planning council, it will inevitably be driven into activity in the following fields: As I said, the co-ordination of all government departments; the co-ordination of other planning agencies and boards; the co-ordination of the work of our provincial and regional planning boards; the co-ordination of crown corporations; and, more importantly, the co-ordination of private industrial plans and controls over the amount and direction of private investment. We should like to know what is envisaged for this department of industry in these very important fields.

The reason why these questions should be answered, it seems to me, is in reference to the speech of the Prime Minister, when he discussed the objects of this department. As reported on page 803 of *Hansard*, he said:

> Canada's need is for industries that will thrive in the modern world, industries that will fit into the new patterns of international trade which are now emerging and to which we will have to adapt ourselves.
>
> Our special need in this country—and this applies to other highly developed countries—is to create and expand the more sophisticated, the more complicated, if you like, kinds of industry producing goods which we both need ourselves and which we can sell to other countries.

Finally he said:

> So the aim of the department we propose will not be to shelter or shore up weak, protected enterprises but to encourage and build up economic industries and to help industries adapt themselves—

Mr. Chairman, if taken literally that involves a very far reaching change in the industrial picture in Canada.

How is this department to do this? Suppose it does decide that there is a genuine need for a shift in investment from one industry to another, how is it going to accomplish this? What techniques and powers are going to be placed at its disposal? We know the tax incentives, while they have some value, are somewhat limited because of the reserves many of our Canadian industries have built up, which to some extent cushion them against this. Can we expect a program of adjustment and assistance in the event that this department decides to shift investment from one major sector to another? What advice about financial aid does it envisage giving to industries in this country?

Another question we would like to pose is: If this is just another government department, what is its purpose and what are its real objectives? It seems to me, with respect, that these answers are not adequately spelled out in the resolution or in the speech accompanying it. Is its object to increase the aggregate of investment and production? Is it to reduce imports and encourage the production of Canadian goods now imported? Is it to shift investment and production from certain channels to other channels in accordance with one over-all plan? The speech talks about an industry-by-industry study. What happens to these studies, once they are completed? What powers is the department going to have to ensure that they are actually implemented, once these studies have been made? The speech talks about building up economic industries rather than shoring up weak and protected ones. We should like to know how this is to be done and what powers over the shifting of investment are going to be made available to this new agency.

On the whole, in examining the presentation to date, Mr. Chairman, it seems that, despite the contradictions, this is intended to be a government department alone which will be investigatory in nature and advisory in character. If this is so, it seems to me that we are developing the worst of all possible worlds. Because we already have a multiplicity of boards and bodies, fact-gathering agencies and economy forecasting organizations in this country, and merely to add to

them another such agency without making some provision for this agency to co-ordinate the work of other government departments, other crown agencies and planning boards, is adding another voice to all those now crying out. What is really needed is some agency to draw together all of these organizations and to come up with a complete blueprint and then to have an agency with the machinery for seeing that this blueprint is carried out.

Mr. Chairman, in sitting down may I just re-emphasize our participation at this stage is largely for purposes of clarification. We should like to know what we are creating, whether just a government department or some agency to carry out the plans and progress of the economic council. What is it expected really to do, and what powers is it going to have, so that it can adequately carry out the responsibilities given to it? We emphasize again that it cannot do both. If you are going to have a government department, then you will have your statutory limitation on your activity, with no power to mix into other government departments. If, as indicated in the speech, this is an agency to carry out the plans of the economic council, then it will need an entirely different set of powers. Neither is such power indicated in the speech, nor is it made clear in the resolution. Therefore we hope that when this bill comes up for second reading we may have some answers to the problems I have mentioned today, so that we will be in a much better position to analyse it and give it the attention it merits, and to make a decision upon it.

Mr. Dinsdale: Mr. Chairman, this resolution has a great deal of personal interest to me because one of the first private members' resolutions that I presented when I became a member of this house was concerned with the urgent necessity of the federal government taking some action which would encourage the diversification and the decentralization of industry. It seems to me that the resolution to set up a department of industry at present before the committee is going to have as its major function those purposes which we used to talk about back at the beginning of the decade of the fifties. At that time the government of the day was not very much concerned about the need for urgent action on these matters and it is somewhat encouraging to see that at this late date there is recognition that we do have fundamental problems with regard to scattering our industrial potential across the nation, and also encouraging its diversification.

As the Prime Minister indicated in introducing the resolution the other day, actually much of the action that has been needed in this connection since world war II has already been taken and most of the machinery is already present within the various departments of government. As far as I can see from the very information that has been put before the committee, the new proposal is designed to co-ordinate the machinery already existing in the Department of Trade and Commerce, the Department of Defence Production and the Department of Finance. I immediately raise this question: Is the Department of Defence Production the one that is best suited to meet the problems that this house and the country have been dealing with over the past 15 to 20 years? As a matter of fact, the record of the Department of Defence Production in this regard has not been a very encouraging one in the past. One of the unfortunate developments that took place in the early 1950's was the elimination in the year 1953 of the small defence industry branch. Just at the time when provincial governments in particular were becoming concerned about the increasing concentration of industry in the two large provinces this action was taken by the Department of Defence Production, which has now been chosen as the most appropriate department to carry forward the very important functions of decentralization and diversification.

It was quite logical in those days to encourage the activities of a small defence industry branch because at that time industry in Canada was very largely organized around the defence needs of the nation. World war I and world war II were the two periods when Canada's industrial potential grew apace. At the end of world war II it was quite obvious that our industrial potential was very closely geared to the defence needs that had emerged during the crisis of the second world war, and our industry continued in this orientation after the end of world war II.

I think very serious thought should be given by the government with respect to whether the Department of Defence Production is the most appropriate department to carry out these important functions. The Prime Minister made the statement the other day that much of the machinery is already in operation. I agree with him completely that this is quite true. A brief recital of some of the things that have taken place in the past six years, for example, is indicative of this point. Within the Department of Trade and Commerce there has been an entirely new area of activity to cope with the important functions of diversifying and decentralizing industry. A small business branch was established, for example, and the industrial development bank was expanded. Here are two functions that are scattered in separate

departments, one in trade and commerce and the other in the Department of Finance.

Again, the Farm Credit Corporation has expanded its activities in the area of diversifying our economy. I would refer too, to the Agricultural Rehabilitation and Development Act because ARDA, in addition to dealing with problems of fundamental changes in agriculture, is also designed to assist the Canadian economy to adapt to the rapid change toward an industrial and urbanized community. The very successful series of trade conferences that have been held in Canada during recent years have also made a tremendous contribution in dealing with one of the difficult areas of Canadian industrial potential, namely, a market for our expanding industrial production. The productivity council has fulfilled an excellent function. It is only nicely getting under way at this time, and it was designed to deal with two of our basic problems, the increasing of the productivity of Canadian industry and the matter of co-ordination between the various sectors of the Canadian economy. As I understand the situation, the productivity council will be superseded by the new economic council, and there is some question whether this is a wise development.

The very fact that so much of the machinery has been established within various branches of government raises the query whether it is necessary at this time to establish a separate department of industry. Is the problem not one more of intragovernmental co-operation and co-ordination of facilities and programs already operating, rather than the establishment of another separate department, particularly when the Department of Defence Production is to handle these functions? May I call it five o'clock, Mr. Chairman?

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

Progress reported.

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

ARTS, LETTERS AND SCIENCES

CANADIAN UNIVERSITY SERVICE OVERSEAS— REQUEST FOR FINANCIAL SUPPORT

Mr. R. Gordon L. Fairweather (Royal) moved:

That, in the opinion of this house, the government should give consideration to the desirability of supporting financially the Canadian university service overseas which helps young Canadians to go abroad to share their skills, training and humanity in those countries where such help is needed.

He said: Mr. Speaker, I was assisted, in phrasing my motion, although I must admit perhaps unknown to the person involved, by the hon. member for Rosedale (Mr. Macdonald). I phrased the motion in a manner which I felt would be acceptable to the government. The proposal is that the government consider, if it is desirable, giving financial support to the Canadian university service overseas. As is sometimes the habit in our neighbouring country to the south, perhaps more imaginative names are used in connection with projects of this sort. Of course, the name that has been used in the United States is "peace corps". The scheme in that country is much more government oriented, if I may use that phrase, than this motion would propose.

I have no exaggerated or grandiose sums of money in mind. I do suggest that $100,000 spent by the government in helping university students serve in other countries would be returned, if money must be returned, manyfold in good will and better understanding. I think, as is the case in so many instances with governments, such assistance would be helpful to the wider development of the giver as well as those receiving the benefit. It seems that with government today we must exercise some judgment as to priorities. I am a believer in priority. It seems to me that CUSO is an example of a service which is entitled to a priority, if any are, in so far as government financial assistance is concerned.

Perhaps we would have to say that $100,000 is an infinitesimal amount in relation to actual federal spending. I believe the house is entitled to an explanation of CUSO and what it is attempting to do. I can do no better than to quote from this information bulletin. It is interesting to note that CUSO was formed on June 6, 1961. The full title is Canadian university service overseas. It was established as a national co-ordinating agency to develop and promote schemes for sending Canadians to serve overseas. The initiative for the establishment of this body came from Canadian universities and several national organizations. CUSO works closely with national and local organizations in Canada and provides liaison with government international organizations and other agencies abroad.

Its functions have been defined in the following terms:

(a) To initiate and operate, either alone or in co-operation with other organizations, schemes that will enable suitably qualified graduates, normally

resident in Canada, to serve in countries overseas that have indicated their readiness to receive such persons;

(b) To solicit and administer funds to cover the costs both of such schemes and of any activities ancillary thereto;

(c) To assist, in such ways as the service may from time to time determine, other agencies which may be engaged in schemes of a similar nature.

CUSO is a means of providing opportunities for Canadians to serve abroad in conditions similar to those under which persons in the host countries also serve their fellow citizens. The organization hopes the scheme will promote greater understanding among the participants and serve as a gesture of international good will and co-operation. Graduates will only be sent abroad in response to specific requests for their services by governments and other appropriate agencies. They will not go as experts but as junior personnel who serve on a basis of equality with those with whom they live and work.

The need for funds is underlined by the fact that this year there are only sufficient funds available to send a fraction of the volunteers. I feel that this speaks well for Canadians in universities. As we have come to expect from young Canadians, the number of volunteers is far greater than the funds available to send them abroad.

A motion somewhat similar to the one being considered today was debated in this house on December 10. I think it is interesting to reread the debate. The proposal then was that the government establish a Canadian youth service, a government-sponsored scheme, to enable young Canadians to go abroad. I was struck by an observation of the hon. member for Rosedale during that debate. He properly pointed out that rather than duplicate existing services, his specific, and he said specific, recommendation was that the federal government give assistance to the CUSO program by way of grants. I reread his words over the week end and I take some comfort from them. If I can interpret his words, and perhaps this is dangerous, I assume he meant that the government should look favourably upon assisting CUSO, an established organization. The hon. member who made this very sensible recommendation is now parliamentary secretary to the Minister of Justice and, of course, is in a position to influence the government to accept this recommendation. This makes me much more hopeful that the motion will have widespread approval from members on all sides of the house.

The government, after all, is in no way committed by accepting the motion, because the motion merely requests that consideration be given to the desirability of granting financial support. Rather than have the hon. member quote himself, which is a habit all too prevalent in parliaments in this and other countries, I should like the privilege of quoting him. I refer to *Hansard* for December 10, 1962, page 2506, where I find these words:

[Mr. Fairweather.]

While I support the general principle of the resolution my specific recommendation would be that the federal government should give assistance to this program by way of grants to existing organizations. Second, I think the federal government to the greatest degree within its power should through its own facilities publicize both the availability of these services and the nature of the work that is done. The qualification which I would have regarding creating an independent government authority to administer this program is that I feel the universities should continue to be autonomous within this field and should administer the program.

If I could interpolate here, I would say I could not agree with the hon. member more.

The university faculties and students are in a better position to judge the applicants coming forward, and what is more, by having it in the hands of the universities you take away any suggestion of government interference and control which in this country might tend to discourage private contribution to the fund,—

By the way, Mr. Speaker, private contributions to the fund are being solicited at present and I believe those contributions, plus a generous government grant, would make it possible for this large number of Canadian university students to proceed overseas.

I have restrained myself from making a very lengthy speech because I hope the motion will receive general approval and that we can go on to other things. I sincerely ask the support of all hon. members of the house for it.

Mr. D. S. Macdonald (Parliamentary Secretary to Minister of Justice): Mr. Speaker, I rise to assure both the hon. member for Royal (Mr. Fairweather) and the house generally that the views I expressed on December 10, 1962, continue to be my personal views, and that I shall continue to support the objectives which I set forth at that time. I congratulate the hon. member upon introducing this motion. I may say it is a matter of some delight to me to know that I succeeded in making at least one convert.

Following the suggestion made by the hon. member, I do not wish to delay consideration of this motion further and merely reiterate that I remain in favour of the objectives which I set forth last year.

Mr. Arnold Webster (Vancouver-Kingsway): Mr. Speaker, I rise to present the views held by the New Democratic party with regard to this resolution and the desirability of supporting financially the Canadian university service overseas. I suggest it is important we give thought to the image that is created

by Canadians wherever they go outside Canada. No matter where they went in two world wars our men gave a very fine impression of Canada, which even today is reflected in many of the agencies of the United Nations.

Mr. Speaker, if you were to go to New York and mingle with the representatives of the United Nations you would be very proud of the record of Canada in all international areas. Likewise, if you were to go to the International Labour Organization in Geneva and to the UNESCO organization in Paris you would get the same impression that, generally speaking, people throughout the world think well of Canada. One reason for this is that people do not think of us as an aggressive nation but as a nation prepared, within the limits of its capabilities, to offer assistance in one way or another to people in need.

At the present time there are many teachers in Europe serving the families of our men overseas and giving a good impression wherever they go. Here in Canada we know the great benefits which come from the commonwealth exchange of teachers and students. Several thousand commonwealth students are scattered across our country, from the Atlantic to the Pacific, attending Canadian universities. They benefit from life in Canada, but so also do we. I have had occasion to associate to some extent with overseas university students here in Canada, and it is a stimulating experience to meet them and discuss their problems from their points of view.

I suggest we should give our support to this motion as a peace project because the promotion of peace falls into various categories. We mostly think of defence arrangements, but that is only one way in which we can work for peace. Another way is to keep our own house in order so that when people think of Canada they think of a strong nation which gives fair treatment to everybody. Another way we can work for peace is by doing the very thing which the Canadian university service overseas organization is prepared to do, to provide a variety of services to people who are in need.

I am very happy to say, Mr. Speaker, that the New Democratic party urges support of this motion as a practical contribution to peace throughout the world.

(Translation):

Mr. Gerard Girouard (Labelle): A few words only, Mr. Speaker, to congratulate the hon. member for Royal (Mr. Fairweather) for submitting such a motion to give assistance to Canadian students abroad. I believe we should spend a few minutes to consider this project, which in my opinion is more important, both for friendly relations in the world and for some agreements within NATO or the U.N.

It is true that if we want to check international communism, we must prove that in a democratic country though a capitalistic one, it is possible to seek the full development of human personality.

In the English version of the motion we read: "Where such help is needed." However, I prefer the French where we read: "un service dont on a besoin".

I noticed that many foreign teachers are now teaching in our universities, they are appreciated both in the province of Quebec and the rest of Canada. It is not because of their education, or of their academic training but mainly because of the universality of their knowledge which they are dispensing.

I believe that our students who spend some time abroad will bring back more on their return than we will have invested in their education.

This is why, Mr. Speaker, I am pleased to support this motion.

(Text):

Mr. Reg Cantelon (Kindersley): Mr. Speaker, it hardly seems necessary for me to stand up and support this motion as all hon. members who have spoken so far have supported it. However I would like to add my little contribution and perhaps a few more details might be helpful to some hon. members who are not familiar with the scheme.

In the first instance its purpose is to help those countries, which we would consider not so developed as ours, to have the assistance of people who are experts in certain lines. In the main these are teachers. Out of the 78 persons who have been sent to give this assistance during the last two years some 62 were teachers. These people only go to countries who ask for their help. They do not go unless definite requests are received for their services, and they live on the same salary levels and under the same living conditions as the people they are helping. This is particularly worthy of note because, in doing so, they do what the hon. member for Vancouver-Kingsway (Mr. Webster) suggested, namely they convince these people they are anxious to help them and give all the types of assistance we can possibly provide.

They go as junior experts, if we might call them that, and Canada is uniquely qualified to provide these services. Our historical background is one of the reasons why we are so qualified. We have a colonial background and most of the countries to which our people go realize this, so they feel kinship towards

our junior experts. Then, too, we are fortunate in having two main races in Canada, and a great many French speaking people are required. In fact a substantial proportion of the people who go abroad to give these services are French speaking Canadians. I think too, that because we are the kind of country we are, our people who provide these services can do so in a proper spirit of humility. I think they lack the extreme nationalistic viewpoint which is noticeable in the nationals of some great nations, and consequently I think they are better received.

Last night at 10.30 the C.B.C. presented an excellent program showing the progress that has been made in many of these countries—countries such as India, Indonesia, the country of the Incas, and so on. It showed the progress that is being made in these countries in conquering man's main enemy, hunger. These people suffer not only from having too large a population, but also from a great ignorance of just how to attack their problem. It was evident in that program that this was the real attack being made, an attempt to instruct them in order that they could conquer their own difficulties. I think hon. members will agree with me that this is the proper way in which to attack the problem, by a program of self-help; in other words, show them how and let them work out their own solution. This the program certainly made evident.

This is what CUSO is trying to do. It is trying to send people out who will help to bring an end to this ignorance. It is trying to bring the benefits of education to those who need it far more than we do. Some other organizations also realize this need. In particular I would mention the Canadian Teachers' Federation, which is doing what it can along the same line. It expects to send some 12 to 15 teachers away this year to do exactly the same thing CUSO is doing. President Kennedy said recently that the real division in the world today was not between east and west but was primarily between the rich and the poor. Very probably what he had in mind was that even if the so-called cold war was brought to an end, we would still be faced with world conflict between the "haves" and the "have nots". It is very encouraging to see that we are perhaps a little closer to a solution of the cold war because of the news we heard this morning, that President Kennedy, Mr. Khrushchev and Mr. Macmillan are to meet soon.

We have all heard the argument that three quarters of the world's population go to bed hungry every night. If we can, by a small grant—I think the suggested sum of $100,000 is certainly a small grant for a country such as ours—in some small measure convince these people that we are willing to do our part to help them conquer this great handicap of hunger, it will bear very, very good fruit in the future. Also, an intelligent view of this question should convince us that there is an imperative need for Canada to develop the closest and friendliest relations with each of these countries. Our students will certainly do this for us while they are in these other countries, and on their return I am quite convinced they will have a very great levelling effect on the mass of public opinion in Canada, which I think is a very desirable thing. Canadians generally are a sympathetic and considerate people and I am sure they will want their government to give what assistance it can to countries which in this way are asking for our assistance.

Miss Pauline Jewett (Northumberland): Mr. Speaker, like the hon. member whose motion this is and the speakers who have preceded me, I too am in favour of and sympathetic to CUSO. As the hon. member for Kindersley (Mr. Cantelon) said, this organization brings to its work a very marked degree of humility, having anything but the sort of "do good" attitude that so many of us deplore in so many so-called charitable activities. The young people involved in CUSO, as the hon. member for Royal (Mr. Fairweather) noted, go out as junior personnel and serve on a basis of equality with those with whom they will live and work. They are not necessarily full-blown experts; they are young university graduates. I think the average age of the group now in the field is about 24. They have not a great deal of expertise, but they have the one thing that matters most, a great desire to serve, a great desire to do something helpful and useful in the world either at home or abroad. They are particularly concerned with going abroad because, as we all well know, it is in the so-called "have not" or less developed nations of the world that help is particularly needed. Most of them, I understand, went as teachers in 1961 and 1962, although there have also been nurses and doctors, as well as people without any formal training at all. They live in the communities to which they go under conditions on a par with those of the people there, and I understand that they go alone to these communities. Unlike the United States peace corps, where they go in pairs, under CUSO the young people go alone into the communities and in this way become even more intimately and closely involved. It is therefore an organization which I should think it would be almost impossible for anyone in this house, or indeed anywhere, not to look upon very favourably and with understanding.

The difficulty with which CUSO is faced, as the hon. member for Royal pointed out, is a financial one. Unfortunately this is a difficulty

faced by the government of Canada as well. CUSO is now undertaking, I believe, a drive for funds of around $185,000. This drive has been going on since about February or March of this year, and to date I believe they have got about $90,000 to $100,000. This has been entirely from private sources. As was pointed out, our peace corps, our CUSO, is quite different from the United States peace corps in that it is a private, not a government, organization. It is privately financed and organized. The hope is to attain the objective of $185,000. To the best of my knowledge CUSO itself has not asked for government assistance to help it attain this figure. I understand from them and from the Canadian universities federation, under whose administrative wing CUSO operates, that they may well in a few months' time be approaching the government for financial help. From my conversations with the persons involved in CUSO—and of course I have had many in the past, having been as you know, Mr. Speaker, on a university staff—my understanding is that they would like, if possible, to derive their funds from private sources. If, however, it becomes absolutely out of the question to raise the needed funds in this way, I have no doubt that they will be coming to the government and in particular to the minister of external affairs (Mr. Martin), for help.

I should like to say here that the minister of external affairs has at his side someone who might be even more influential in securing help for CUSO than the hon. member for Royal or, if I may so, even the parliamentary secretary to the Minister of Justice (Mr. Macdonald)—

Mr. Fairweather: I know he would never take my advice.

Miss Jewett: —or myself. I am referring to Duncan Edmonds, who was a former colleague of mine at Carleton University and is now special assistant to the Secretary of State for External Affairs (Mr. Martin). Mr. Edmonds has been very active in CUSO activities. I do not know that he is a graduate of CUSO, but I know that last summer he was a graduate of Crossroads Africa. He is extremely enthusiastic and I know he will do his best when the time comes for us, as I am sure it will, to put a strong case forward on this matter. I am sure the Secretary of State for External Affairs (Mr. Martin) is himself well aware of the problem, and, even though he has not been formally asked to do so, has already considered the kind of straits CUSO may get into if, for one reason or another, the campaign is not successful, say, by September.

For all I think very highly of CUSO, as, I am sure, do other hon. members here, it is important for us to keep in mind a great many other volunteer agencies and private societies which work in the external aid field. I was amazed to discover how many there are and the variety of tasks they undertake. There are, of course, the church groups of all denominations which have, I suppose, been in the field the longest. There are private societies which collect books, clothing and medicine for shipment to Asia and Africa, paying all expenses, including transportation. The Canadian Teachers' Federation will send abroad this year between 18 and 20 secondary schoolteachers, all costs being met out of funds collected by Canadian teachers in the various provinces. The alliance of hospital auxiliaries has been operating on funds contributed across Canada, and this organization has been supplying medical equipment to the developing nations. It also offers some modest scholarships in Canada, and ships overseas thousands of copies of its publications. Then there is the African students foundation which is one of my own favourites. The foundation has close to 100 students studying in Canadian universities—students from Africa brought to Canada to study with the help of funds raised entirely by this organization. Carrying on similar work is Les Amites Quebec-Afrique.

In all, there are between 70 and 90 organizations engaged in the external aid field in some way or other, and to the best of my knowledge the only ones which now get aid from the Canadian government are the Canadian Red Cross Society and the United Nations Association. It therefore will, undoubtedly, become a matter of some importance to the government whether it should select CUSO, specifically, as an organization to be helped or whether consideration should be given on a broader scale to the needs of other organizations such as, for example, the African students foundation.

I think this question will come to the attention of the government more forcefully this year than ever before because of a new development which is taking place. To be more precise, it is taking place next Monday, June 17, I think, in Ottawa—a meeting of representatives of all these private societies and organizations, including CUSO. This will be the first meeting of what is called the national committee on Canada's participation in social development abroad. It is being held under the auspices of the overseas institute of Canada and its purpose is to find out what agencies there are in the field of external aid, what they are doing, what they feel should be done, and what kind of help they need. In addition, the committee will be considering how to raise funds, whether some ideas or assistance could be given in helping to raise funds and, generally, the most effective ways

of tackling the problem of world wide distress, both by private agencies and by government. The government will, I am sure, send an observer to this meeting. Perhaps someone from the external aid office will be giving a paper. Certainly, a representative will be involved as an observer.

This raises the question as to where Canadian government or public funds should go in the field of external aid. Just as CUSO has difficulty in raising funds, so the government has a problem here as well. I do not know, but I would guess that the government is probably giving first priority to restoring the full amount of the Colombo plan expenditure which, as hon. members may know, was running at $50 million a year and which was cut last year to $41.5 million. It seems to me there is a great deal to be said for restoring this grant as soon as possible. Indeed, there is much to be said for increasing the amount. I would like to see it doubled. Then the government already has in operation a number of other aid programs in addition to the Colombo plan. First, there is the program of assistance to the West Indies. This is a $10 million program. Second, there is participation in the commonwealth educational program under which we provide approximately 250 scholarships at an annual cost of $1 million. This is a program in which all the less developed members of the commonwealth share. Third, there is our program of assistance to the commonwealth countries of Africa, amounting to about $3.5 million a year. Fourth, there are smaller programs of assistance, shortly to be amalgamated, for the benefit of British Guiana, British Honduras and Hong Kong. Fifth, there is the program of educational assistance to the French states of Africa.

These are five continuing programs which have all proved their worth, and from what I have been able to discover they should all be encouraged. Indeed, perhaps additions should be made to them. The demands on the government in the field of external aid in the direction of restoring the cutback in the Colombo plan expenditure, as a first step to increasing it if possible, besides doing something more in the programs in which it is already involved, make it unlikely that at this particular moment it will begin to give aid to agencies which up to now have been providing their own funds. This is not to say it will not consider doing so in the future if the agencies concerned really cannot make a go of it.

I am sure the government will give this matter sympathetic consideration, and I am sure all of us who are interested will do our best to see it does so, not by means of a formal motion in this house but, I would hope, by all of us who are interested in these matters getting together and descending on the government.

Mr. Martin (Essex East): Will the hon. lady be in that group?

Miss Jewett: Yes, I would like to be in the group.

Furthermore, I think those of us who are concerned about Canada's work abroad should remember the suggestion made by the hon. member for Kindersley (Mr. Cantelon) —I think he was quoting President Kennedy —that the great division in the world today is between the rich and the poor, between the have and the have-not nations. I think that is true, and that it is something about which Canada should do far more than she is doing. I was shocked to find that of the ten member nations on the development assistance committee of OECD, Canada's contribution was the lowest; yet we have the second or, perhaps, the third highest standard of living in the world. I think there is far more that we need to do, through societies, and through private individuals in contributions to these societies, and through our government, to see that we carry on a much more effective and widespread kind of contribution than we have done so far.

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I welcome the opportunity of speaking for a few minutes in support of this motion. I believe that if ever there was a motion which should enjoy the support of every hon. member in this house, it is the one now before us. The reason I desire to speak for a few moments is because I have had the opportunity of seeing these young men, under the plan in operation, in Africa. I might say that it makes one absolutely proud to see the work they are doing and the admiration in which they are held by the people in the countries in which they work.

Six hon. members from this House of Commons had the opportunity last fall of spending six or seven weeks in Nigeria, and we travelled the entire country. Wherever we went we had the opportunity of meeting some of these young people who are working under this plan, and sharing their abilities, skills and humanities in countries and amongst people where such are needed. Wherever we went, whether we met these people in a village or a city, we were told at all times how happy the people were with these young people, and were asked if we could not send them some more. They definitely needed more of the type of assistance that these Canadians have been giving and are giving. I think that request can most certainly be understood if

I just use as an example the country we travelled in last year. Here we have a country which is a member of the commonwealth. It has 42 million people, and for those 42 million people there are 81 doctors and 33 dentists. The only places you see hospitals are in the major cities, and in some of them there is only one doctor. At every hospital there is a line-up of between 500 to 1,000 outpatients every morning, most of whom, of course, have to be turned away. It is a country where one child out of two dies at birth. These countries in Africa are countries with problems, and these young people under this plan are trying to offer a contribution on behalf of Canada.

Mr. Speaker, I felt I just had to get up and say how proud I myself was in travelling around Africa last year and seeing what these 24 people, I think it is, are doing in one country. But a lot more are needed and we have the responsibility, in assisting this university plan, of seeing that if the money required cannot be obtained from private sources this government should certainly consider the advisability of giving official aid through the medium of the university for what I maintain is a wonderful and worthwhile plan for those in need, a plan contributed to by our country of Canada.

(Translation):

Mr. Maurice Rinfret (St. James): Mr. Speaker, education is the concern of all conscientious citizens, and all those responsible for the progress made in that field deserve great praise.

In Canada, primary and secondary education is given under improved conditions both for the pupils and the teachers.

University education is being dispensed to an increasing number of students. Technical education has progressed throughout the country. We were happy to hear today, from the Minister of Labour (Mr. MacEachen), that the federal government will continue to offer its program of assistance to the provinces for the building of technical schools.

Mr. Speaker, Canada is providing generously for the education of her children. Realizing how advantageous education could be, university teachers and students have joined together to promote the future of education in less fortunate countries. The voice of those underdeveloped countries was heard at the United Nations and in other international forums. Such appeals have been supported by people from all corners of the globe, and were echoed in a most fraternal way by Pope John XXIII who will be remembered as the apostle of brotherhood.

In Canada, that generous idea come to life on June 6, 1961. On that occasion, representatives of 21 Canadian universities and 22 corporations laid the groundwork for Canadian university services overseas, known as CUSO.

This came in addition to the aid Canada was already giving to the underdeveloped countries, because we know that within the United Nations in 1961 Canada as a member of that organization, subscribed a total amount of $7,440,000 to international aid and assistance funds to underdeveloped countries.

It is in a spirit of generosity that our Canadian universities got together to set up this Canadian university service overseas. Seventy eight Canadian graduates were members of the 1961-62 group. In the light of the first year's experience, 120 graduates will be members of the 1962-63 group.

The organization known as the foundation of Canadian universities is an example of national achievement due to the co-operation of our two official ethnical groups which have contributed to promote this project by recruiting and selecting people from all Canadian universities.

Out of a total of 78 students, Laval University and the University of Montreal contributed 20 French speaking candidates, and it is estimated that 40 French speaking candidates will be among the next group of 120 graduates.

This fact is worthy of being mentioned; it is an example to all the organizations of the federal civil service and to the crown corporations that if we really want to recruit and select people in conformity with our aspirations, the candidates are many and have the required qualifications to play their part in all fields of Canadian activity. The federal civil service and the crown corporations have but to imitate the Canadian university service overseas in its recruiting and selection methods, and they will thus be in a position to give a more equitable share to French speaking Canadians in the administration of the country.

Mr. Speaker, allow me to point out to the house that a great Canadian educator, Rev. Father Georges Henri Levesque, has left for Rouanda. After having set up the social science department at Laval University, in Quebec, Father Levesque leaves Canada to found a university in Africa. Pioneer in the field of education in Canada, Father Levesque

wants to help a young country, anxious to make strides in education. Other Canadian educators, no doubt, will go over to assist Father Levesque in his task.

Mr. Speaker, I have also been told today that five professors from the Catholic school board of Montreal will give refresher courses this summer to some professors from Gabon. These are two examples of Canadian efforts towards very deserving programs of mutual assistance between nations.

The hon. member for Royal (Mr. Fairweather) suggests direct financial assistance by the federal government to the Canadian university service overseas. I take leave to suggest a middle course to the proposal by the hon. member. Let us ask the Canadian Universities Foundation to make an annual grant to be added to subscriptions paid to the Canadian university service overseas by individuals, organizations and companies.

The Canadian university service overseas has an annual budget of $200,000 and has succeeded in collecting $100,000 in private donations. The Canadian Universities Foundation must keep its control and direction over the Canadian university service overseas, but the interference of the federal government by a direct contribution would in time wash out the characteristics which the founders had planned for this establishment.

The countries where our graduates are sent pay the salaries and, in a few cases only, the transportation costs. To date, in two years of operation, transportation is our major expense item.

Could the government not assist through its transportation services our graduates who must travel to far off lands? Have the R.C.A.F., the Department of Transport and the Department of External Affairs ever been consulted on that matter? Could not the Canada Council set up a scholarship system under the title of "post-university study and research"?

I am glad that once again, the Canadian university service overseas program was brought before the house and our discussion will make us ever more conscious of the part Canada must play the world over as an independent and prosperous nation helping other less developed nations who also have a right to independence and prosperity.

(Text):

Mr. Grant Deachman (Vancouver Quadra): Mr. Speaker, in the few minutes that are left before six o'clock I should like to—

Mr. Fairweather: Talk it out.

Mr. Deachman: —add some comments to those that have already been made on this side of the house in respect of this motion. I think it is quite apparent to the house at this time that no one has anything but good will for the work CUSO, the university students organization, is doing, and it is a matter of how to work out and in what time to work out appropriate aid for this organization and for other organizations that are engaged in similar work.

I happen to be by profession a fund raiser, someone who looks after the organization of the raising of funds for voluntary organizations of this kind. So when I hear of a national organization seeking funds for a purpose of this kind upon a national basis, an organization with such high ideals and such national interest, drawing its personnel from universities from coast to coast, I can only be astonished that the total sum they have been able to raise to date is only $90,000 to $100,000 for the current year's effort.

Let me make some comparisons. In the city of Vancouver at Christmas time the Salvation Army kettles appear. The churches try to help the poor by providing some turkeys for them, and giving a few dollars to people who otherwise would not have any money. The estimated total sum collected in nickles and dimes in the city of Vancouver at Christmas time over the course of a few days for things of that kind comes to approximately $100,000, a sum comparable to that which the people of Canada are prepared to give out for a proposal of this kind.

This means that up and down St. James street and along Dorchester, along Bay street, along Portage and Main and Granville streets, all that can be obtained by university people and others interested in this matter by going to all the business houses and industrial enterprises to see the presidents of these companies sitting in their offices is as much money as the people of Vancouver provide at Christmas time for the poor—and no more.

Mr. Fairweather: The drive is only on now.

Mr. Deachman: If this is the case, I wonder whether or not the Canadian university foundation is presenting the case for CUSO to the Canadian people at this time in the terms in which it ought to be presented to them. Certainly here is a movement that deserves the attention of the Canadian people, that deserves a response from the Canadian people commensurate with its importance and its effect upon the national interest and what it can do for the country. Yet we find that it can only raise $100,000 to send these students abroad, and that the number of students who go abroad is pitifully small compared with what could be done if the Canadian people wanted to do it.

I want to take you back many years, Mr. Speaker, to the days when the Y.M.C.A. was formed in this country, and when it sent out

railway Y.M.C.A. units to follow the building of the railway across the country. This was done before world war I and these organizations made themselves available to look after the men who were going into the wilderness and who needed that kind of contact. At that time millions of dollars were raised from industrialists all across the country because they believed it was important that men on the frontier of Canada in positions of that kind should have this sort of aid.

Somehow there was a spirit abroad at that time in the minds of industrialists and people who could afford this kind of thing that does not exist on behalf of CUSO today. You and I, Mr. Speaker, somehow must awaken the Canadian people to the situation if we expect to get a response to CUSO commensurate with its importance. It is not enough that the government should be asked to bolster this scheme when the people of Canada themselves are only prepared to subscribe to it at this level.

I see it is almost six o'clock, Mr. Speaker, and I should like to say one final word about CUSO. Those who may read in *Hansard* the very fine words that have been uttered on this subject today might take a second look at the importance of this proposal and by their action indicate to the house that this is a matter of greater value and importance than they care to place on it today.

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

INDUSTRY

PROVISION FOR ESTABLISHMENT OF DEPARTMENT

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

That it is expedient to introduce a measure (a) to establish a department of industry to be presided over by a minister of industry who shall be appointed under the Great Seal of Canada, to authorize the appointment of a deputy minister by the governor in council, and to provide for the appointment to the department on a temporary basis of persons having special knowledge of manufacturing industries to assist in the work of the department; (b) to provide for the establishment under the direction of the minister of an area development agency and to provide for the appointment of a commissioner and a deputy commissioner for area development; and (c) to make a consequential amendment to the Salaries Act to provide a salary for the minister.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Dinsdale: Mr. Chairman, at five o'clock I was just beginning my remarks on this important subject and pointing out how happy I was to see that even the Liberal party now recognizes that we have to move very vigorously in the area of industrial decentralization, industrial diversification and industrial development. During the critical years when Canada was faced with profound changes not only internally but also externally, the attitude towards this problem of assisting our economy in the change from primary production to secondary production was largely left to the laissez faire process. I made some reference to the historical past in this respect which resulted in a great economic upsurge following world war II and which was largely brought about by external factors. The problem of internal Canadian adaptation to the modern world was worsened rather than lessened in that industry failed to diversify. It remained geared to the demands of defence requirements and also was largely concentrated in the two central provinces. This, of course, only intensified the problems that have dogged confederation ever since 1867, namely the concentration of population in a small area of Canada, the concentration of financial interests and so forth. This problem, aggravated by the failure to act vigorously during the years 1945 into the mid 50's, has created some of the more serious difficulties within our system of confederation at the present time.

I was interested to note that the Department of Defence Production is the chosen instrument to take over the functions. I expressed some surprise because the record of the defence production department in the past has not been salutary so far as resolving these basic difficulties in Canada's body politic to which I have referred. This leads me to comment further on the tendency in Canada for industrial development to take the lines of least resistance and concentrate in the areas of defence requirements. I think the unhappy experience of Avro is the classical example in this regard. Here was a company that put all its eggs in one basket in terms of industrial development with the rather disastrous consequences which occurred in the changing circumstances of the mid 50's. The tragedy of the Avro aircraft is very closely associated with this laissez faire attitude of the former Liberal administration towards industrial development. I recall the debates in this house when the Avro jetliner project was scrapped in favour of a military program which it was felt at that time was necessitated

by the outbreak of the Korean war. I kept some of the items relating to this subject because of my interest in the matter, coming as I do from an area of Canada which felt keenly the need for industrial development and stimulation.

I kept an item from the issue of the *Avro Canada Magazine* back in March 1950 concerning the jetliner which points out, and I quote:

> As you know, the jetliner will soon complete its pressurization tests in the air and then go on to obtain its American certificate of airworthiness. After that, we will try to sell it throughout the world because there seem to be no technical or aerodynamic snags to upset us. We hope to start by selling the jetliner right here in Canada and the United States operators have shown a definite interest in it. The jetliner is being flown to England this summer with the view of interesting British and European operators. There is considerable interest in this aircraft in Australia and there might also be some in South America. We are hoping that the second jetliner will soon be ready to help us out in our sales tours and demonstrations.

Now, unfortunately, shortly after that statement was made the whole project was cancelled and the industry returned to its defence orientation. I felt at the time, and many others were of a similar opinion, that Canada had lost a great industrial opportunity because this jetliner had flown simultaneously with the de Havilland Comet. If the project had been carried forward, if there had been careful planning and careful co-ordination within government departments, we would have had a balanced aircraft industry in that important industrial area of Toronto rather than the lopsided development which resulted in the Avro economic difficulties of the mid 50's.

Then, another example of this failure to give any direction or even co-ordination during those critical years when all parts of Canada were crying for guidance from the former Liberal government, was the T.C.A. episode in the city of Winnipeg. Winnipeg had been chosen as the T.C.A. repair centre. I just happen to have a clipping from the Winnipeg *Free Press* of Thursday, June 6 which outlines in a clear-cut way how the present problems of T.C.A. in the city of Winnipeg began. The *Free Press* article is headed, "A History of Deception". In order to outline what the editors of that newspaper mean by that I am going to give one or two quotations from the editorial.

> In 1948 Mr. C. D. Howe, then minister of trade, said in reply to queries that T.C.A. had no intention of moving its main department from Winnipeg. He said that some operating department heads might move, but that 95 per cent of the company's activities would remain centred in Winnipeg.

This sounded like a very sensible program, in view of the geographic circumstances in Canada and also in view of the need to decentralize industrial activities. We know what happened shortly after that, and the *Free Press* article gives in some detail the sorry pattern of withdrawal from that basic position over the years until, at the present time, the citizens of Winnipeg and particularly the employees of T.C.A. are not even certain that the telegram that was sent during the course of the last election campaign meant what it said. The telegram, in effect, said that the proper location of T.C.A. facilities and services would be determined in a manner which would be fair and equitable to the city of Winnipeg. This is almost a paraphrase of the original statement which was made in 1948 by the then minister of trade and commerce.

Now, Mr. Chairman, this indicates that at the time there was a real need for a program that would co-ordinate and encourage industrial decentralization and diversification. There was no action forthcoming from the then Liberal government. The provinces took the matter into their own hands and, almost without exception, each of the provincial governments have established very strong and virile industrial development programs.

Just to illustrate this point I could point out the progress that has been made in the province of Manitoba where for the past four years, ever since Hon. Mr. Roblin became premier, they have moved forward with a very vigorous program of industrial development. They have divided the province into regional areas to avoid the difficulty of internecine strife between small local municipalities. They conceive of industrial potential in terms of regions rather than local municipalities. Recently the business community, the manufacturing community, the voluntary groups associated with these sectors of the economy, working in close co-operation with the provincial government have produced an excellent report on the economic prospects of that province which will be implemented over the next few years.

This is typical of the programs that have been carried out in each of the provinces. They had to undertake this work and move into this area because of the inactivity of the former Liberal administration. This, Mr. Chairman, indicates that two things must take place. We are faced with the proposal that everything which has been going forward in the provinces, as well as in the various departments of government, at the federal level is now going to be concentrated in a new department of industry. The preliminary statement of the Prime Minister would suggest that the Department of Defence Production is going to be the chosen instrument in this regard, and I would like to

emphasize that there is a strong possibility, if the pattern of the Liberal government when it was formerly in power is resumed, for these matters once again to be considered in isolation.

I would like to emphasize just as strongly as I can that you cannot carry out this important task of encouraging the development of secondary industries, of assisting Canada in moving as rapidly as possible from primary production to secondary production, unless you take into consideration the intra-governmental aspects, that is to say, co-operation between the various departments of government that are involved in this process.

I want to congratulate the Minister of Labour on his statement this afternoon to the effect that programs will be undertaken, or I should say continued, to stimulate employment. In his statement he emphasized the necessity for the closest possible co-ordination and co-operation between the various departments of government. In so doing he endorsed the policy carried out by the former Conservative administration. The programs he outlined are programs that are already under way or were in contemplation. The only differences were slight modifications for the sake of effect. Our administration realized that government today can only be carried on successfully if ministers and departments work together for the betterment of the whole. This is demonstrated in the work of the national energy board which dealt very successfully in that field of activity. Again today the Minister of Northern Affairs and National Resources is taking one further step in the development of the national resources ministers council, which has been in process of formation for the past two years. I cannot overemphasize the necessity of intra-governmental co-operation as well as inter-governmental co-operation.

To bring my remarks to a conclusion there is just one other aspect I wish to mention. The Glassco report had some words to say on these matters, and it is to be noted that it made some strong recommendations concerning the functions of the Department of Defence Production. I trust that in its desire to introduce a half-baked program which was drawn out of the blue during an election campaign to support a slogan with similar dubious origins, the slogan of 60 days of action, the government will not be stampeded into completely ignoring the very significant recommendations of the Glassco report. These are the admonitions that must be taken into consideration as we move a step forward—or what could be the case, a step backward, particularly if the action contemplated by the resolution breaks down the fine spirit of inter-departmental co-ordination established over the past few years, resulting in the tremendous upsurge of the economy and its present buoyant state.

If it should be a step backward it will impede the fine relations that have been established intergovernmentally, too. The phrase used in the speech from the throne, and which is now being used with increasing frequency, "co-operative federalism", was something that was not only talked about by the former administration but was applied at every opportunity.

We recognized that Canada's economic development is indivisible. As a former minister of national resources I am aware of just how closely we worked and consulted with the provincial governments. I trust that in its desire to make a political point in order to discharge an ill-conceived slogan, 60 days of action, we will not return to the former isolation. Such a situation could have very serious effects on the present upsurge of the economy which has been left as a heritage by the former administration. Should that happen our second state might be much worse than the first.

Mr. Olson: I would just like to say one or two words with respect to this resolution. Usually, Mr. Chairman, when something novel is introduced a number of hon. members have a word or two to say about it, sometimes several words, and they conclude by suggesting the government get on with it as rapidly as possible. Dealing with this particular resolution, however, I am not sure I would like the government to proceed with it as rapidly as possible, in fact, perhaps not even at all.

To date the explanation given in justification of setting up a new department of industry is not sufficient. When the Prime Minister opened this debate he said the proposed new federal department would not be over protective; the objective would be to encourage more trade, and it would not be there for the purpose of protecting inefficient industry. He also pointed out that it would not interfere with the counterpart departments within the provinces. One of the most significant statements he made was that there would be no new responsibility added to this department that is not already in one of the other departments.

Therefore, Mr. Chairman, the question immediately arises: What useful purpose could this new department serve that could not now be served by one of the departments already in existence? Why, for example, could not the Department of Trade and Commerce be changed to the department of trade and

industry to deal with all those matters which the Prime Minister mentioned, and in fact achieve those desirable end results? We have not yet had a thorough explanation of what will be the relationship between the new department of industry and the new economic council. We would like to know where the responsibility of one of these bodies ends and the responsibility of the other begins, and so on.

It was rather interesting to note the remarks of the hon. member for Digby-Annapolis-Kings who said there have been differences of opinion as to which department is responsible in certain areas. He suggested there were occasions when this bordered on conflict, although he was rather hesitant to use that term and preferred the phrase "differences of opinion". I think this is something we should be very careful about and we should ask the government to give us a reasonably good explanation as to how they are going to deal with this question. For example, last Friday the Minister of Finance made a statement in the house respecting the new, so-called voluntary import quotas on Japanese trade with Canada. These quotas covered a large number of items. I was tempted at the time to ask the minister—but which minister—whether, in the negotiations with the Japanese government preceding the imposition of these voluntary quotas, there had been discussions with Japanese officials as to an increase in the export of our wheat to Japan if we agreed to allow the increase of exports from Japan. This already involves three different ministers, I suggest, the Minister of Finance who made this statement, the Minister of Trade and Commerce who is supposedly concerned with our trade with the other trading nations of the world, and certainly the Minister of Agriculture who is, or should be, particularly interested in the export of agricultural products. There are a number of questions such as these that arise. As I said at the outset, I believe that the explanation given so far as to the need for a new department of industry certainly does not justify setting it up.

Under section (b) of the resolution there is provision for the establishment, under the direction of the minister, of an area development agency. This is rather vague. I wonder where the Atlantic development board fits into this scheme. Then there is the provincial board called APEC. It seems to me we are setting up one board, department, commission, or something, after the other and are giving them the same responsibilities. At least, we are giving all these various boards the same problems and are asking them to come up with solutions. Quite frankly, Mr. Chairman, I am not convinced that more boards or departments are the answer to the problems we have been passing over to committees over the years. I think there are sufficient departments within the government now to deal with recommendations that have been made to the government and to take some positive action based on those recommendations, if in fact the will to take action is there at the present time. I certainly do not believe that setting up a new department of industry is going to stimulate any more will to take some action. I think, too, that most hon. members will agree that smaller committees are quite often more effective in giving advice than are larger committees. We are having one committee on top of another, one department on top of another. We will probably end up by having committees of these departments to deal with the problems. Therefore, Mr. Chairman, I am not quite sure whether I would like to support this new department. Unless the Prime Minister or the minister who will probably be in charge of it can give us some more justification for its being set up, I think we will have to reserve decision on it. The other matter is this. As has been pointed out by the previous speaker, the Glassco commission has recommended, I believe, that some segment of defence production should be turned into a purchasing agency for the procurement of equipment, and so on, for all branches of the armed services. To fragment that department's activities by adding a department of industry to it would, I think, be retrogressive in achieving what the Glassco commission has recommended with respect to buying supplies for the armed services. I think this is not a good idea; it is not going in the right direction. I believe that the Department of Defence Production, in addition to the work it is now doing, could perform a good and useful service to Canada by acting as a purchasing agency for all the other things that all branches of the armed services require. Certainly by incorporating it into a department of industry would weaken it as that type of agency.

Mr. Chairman, I do not wish to take up more of the committee's time at the moment. However, I would point out that there is this multiplicity of committees and departments which seem to be charged with the same responsibility. As far as I am concerned, I think we should have a fuller explanation as to its exact purpose and also why some of the departments that exist in government now could not perform these functions.

Mr. Prittie: Mr. Chairman, my colleague the hon. member for Danforth said we were going to support this resolution. With that in mind I will make my remarks very brief

so we can have the bill. I think the sooner we get through this resolution and first reading of the bill, the sooner we will get to the resolution to appoint a second minister of agriculture, and I believe my hon. friends on the right are now stacking ammunition in anticipation of that measure being debated.

In explaining the purpose of this department on Friday, the Prime Minister had this to say in part, as reported at page 803 of *Hansard*:

> Our special need in this country—and this applies to other highly developed industrial countries—is to create and expand the more sophisticated, the more complicated, if you like, kinds of industry producing goods which we both need ourselves and which we can sell to other countries.

It seems to me that if the department is to achieve this aim it may find it will have to encourage certain amalgamations of Canadian industry—if you like, a certain rationalization of some of our manufacturing industries—so they can produce at low cost and compete in world markets. If this is to be done—and I do not think it can be avoided in some cases—the federal government has a responsibility to see that consumers are not hurt in the process.

I suggest that our present anti-combines legislation is too weak to protect effectively the consumers and small business from the price-fixing activities of certain large business combines—and I expect we shall have more of this kind of activity in the future.

The anti-combines laws of this country were recently studied by two university professors G. Rosenbluth and H. G. Thorburn. They published their findings in a book called Canadian Anti-Combines Administration 1952-1960. The central argument of these authors is that Canadian combines legislation is based on a mistaken concept—the "cops and robbers" concept. According to this viewpoint, monopolistic or anti-competitive practices are the infrequent acts of a criminal minority who represent exceptions to a generally competitive and law-abiding business community. It follows from this assumption that the role of the combines machinery is to seek out these deviates and bring them to justice before the courts.

The authors believe that these very limited terms of reference prevent a solution of the real problem. They point out that monopolistic practices are not an aberration from the norm but, rather, are widespread and constitute the typical business environment. They favour the view that the preservation of competition requires constant attention by the government in order to render the economic environment competitive and to reduce the attractiveness of monopolistic arrangements. In shaping the economic environment all the government's powers and activities are relevant, and the enforcement of specific anti-monopoly rules and regulations is only a part, and not necessarily the most important part, of an anti-monopoly policy. This prescription could be interpreted to mean a much larger role for the public regulation of monopolistic practice than would be consistent with Canadian traditions of free enterprise.

The authors go on to point out that there is evidence the government does not take anti-combines work very seriously. The importance attached by the government to any activity can frequently be measured in terms of budgetary expenditure. By this standard the authors show that anti-combines operations rank equally with those of the Newfoundland bait service—and I am not being facetious; perhaps expenditure on those services should be increased—and somewhat below the dominion observatory in the government's scale of priorities. The most revealing chapter in the book attempts to measure the scope and success of activities under the Combines Investigation Act. Using a market-size index, Rosenbluth and Thorburn find that cases not handled effectively by the anti-combines machinery exceed those effectively handled by a ratio of nearly six to one.

I should like to quote here from what the authors have to say—

The Chairman: I do not wish to interrupt the hon. gentleman but it seems to me that for the last few moments he has been straying from the purpose of this resolution, which deals with the establishment of a department of industry. Perhaps the hon. member would like to relate whatever he is saying now to the resolution under consideration.

Mr. Prittie: Mr. Chairman, I did attempt at the outset of my remarks to make the relationship clear. I tried to anticipate the type of activity in which the department would become involved while, perhaps, creating larger business enterprises in this country, and I pointed out some of the dangers which might follow. I am simply suggesting, now, that a department of industry might be somewhat ineffective if it did not have a stronger hand to police some of the resulting activities.

In any case, my remarks will be completed in a very few moments.

To quote again from the authors I have mentioned, they reached this conclusion:

> In more than a technical sense, ultimate responsibility for the scope of anti-combines activity rests with the cabinet... if the application of the combines machinery has been very limited, this state of affairs reflects the policy of successive governments, both Liberal and Conservative.

I merely wish to leave this one thought with the government. We feel this department

might do a great deal of good in promoting industrial development, but it might be faced with the problem I have suggested, namely that in order to make Canadian industry competitive it might have to encourage larger concentration. Much of the work of the department might be wasted if it were not given strong anti-combines legislation to watch and police the larger concentrations of industry which could result from the policies of the new department.

Mr. Kindt: Incidentally, I just telephoned Fort Macleod and there is no rain yet.

I am pleased to have an opportunity of speaking to this resolution. Before I do, I should like to ask the Prime Minister a couple of questions in the hope that when he has the time to give explanations, he will do so. For instance, in the middle of the resolution I find this statement:

> To provide for the appointment to the department on a temporary basis of persons having special knowledge of manufacturing industry to assist in the work of the department.

Will these be dollar a year men? What is the intent of the government in setting up this department?

Will the question of temporary employees extend to a major part of the workers operating this new department or will it be an appendage to the skeleton staff which is going to be running it? Clarification of that would be helpful in further discussions of this matter.

Again, in the resolution, in the second last line it is stated as the intention—

> —to provide for the appointment of a commissioner and a deputy commissioner for area development.

I wonder if the Prime Minister would define what is meant by area development. In other words, what is the criterion to be used in selecting such areas? With this information, we shall be in a position to understand more clearly what the intention of the government is.

I have no objection whatever to a new department of industry being set up, though I do not see how it could do more than the Department of Trade and Commerce is doing now, or could do in the future. It seems to me that more ministries are being set up merely to give the impression to the people of Canada that this present government is really making decisions, though all it is doing is trying to make a showing for political purposes. The Department of Trade and Commerce has been organized, as we all know, for a great many years during which time it has performed a magnificent service for the people of Canada. There are people within that department spending their lives doing the very thing this resolution attempts to bring into being, namely the stimulation of new industry.

Let me put on the record some of the facts which the Department of Trade and Commerce has to its credit in 1962; I think this is the appropriate time to do this. I think I should give you, Mr. Chairman, as well as this committee and the country, the following facts. During 1962 Canada's gross national product—that is, the sum total of all goods and services produced in Canada during the year—increased by 8 per cent. The increase in our national production—that is, the gross national product less the increase in prices which took place during the year, which is therefore the true measure of the increase in national output—was 7 per cent. These are statistics taken from the dominion bureau of statistics, not something which I am cooking up. These are the official figures and anyone in this house can obtain them if they wish to take the trouble to do so. The comparison between our increase in national production with that which took place in the other major countries of the free world during the past year is as follows. Canada had a 7 per cent increase; that is, the percentage increase in national output went up 7 per cent. In Italy it went up 6 per cent, the United States 5 per cent, France 5 per cent, Japan 5 per cent, Germany 4 per cent, Sweden 4 per cent, Belgium 3 per cent, The Netherlands 3 per cent, the United Kingdom 1 per cent. In short, the point I wish to bring to the attention of this committee is that the Canadian economy shows the greatest increase of any country in the free world in percentage increase of national output during the year 1962.

Let me also put on the record some more achievements of the Department of Trade and Commerce. During the past year the increase in the consumer price level in Canada was only 1 per cent. The comparison between Canada's performance in this regard and that of the other major countries of the free world is as follows. As I have said, the increase in the consumer price level in 1962 in Canada was 1 per cent. In the United States it was 1.1 per cent, The Netherlands 3.3 per cent, Germany 3.7 per cent, Italy 4.3 per cent, United Kingdom 4.7 per cent, France 5.4 per cent. In each of the years 1959, 1960 and 1961 the increase in the consumer price level was also 1 per cent each year. During the ten years prior to the former government coming into office in June 1957 the average increase per year was 3.7 per cent. In other words, when the present government was in office prior to 1957 the increase was 3.7 per cent.

Now let me turn to additional indicators of how key industries have made out during 1962. I am taking the year 1962 because I want a full year and because these figures are readily available. Furthermore, anybody else can get them if he desires to do so. The cement industry for the full 12 months increased 9 per cent. The textile industry for 10 months of that year increased 9 per cent. The steel industry for 12 months increased 10 per cent. The lumber industry for 11 months increased 12 per cent. The petroleum industry for 12 months increased 14 per cent. The electric appliances industry for 10 months increased 16 per cent. The motor vehicles industry for 12 months increased 30 per cent. The iron ore industry for 10 months increased 38 per cent. The latest figures which I have available for natural gas are for nine months of 1962, and this industry increased 44 per cent. Although these are the latest figures available, in a few days I should be able to finish out the remaining months, which I have been unable to do for the purpose of my speech tonight.

Mr. Chairman, what has this increased prosperity meant in terms of increased employment and more money in the pockets of the average Canadian? Employment on the average over the whole 12 months was increased by 168,000 new jobs. Unemployment on the average over the whole 12 months was decreased by 78,000 jobs. Personal incomes were increased by 8½ per cent. This means that on the average each Canadian had 8½ per cent more money in his or her pocket to spend during the year 1962. This growth, stimulated by the policies of the former government, has carried right through to the present, as everyone in this committee knows.

Now let me turn to the resolution which says that it is the intention of this government to set up a department of industry. It might be a better thing, instead of doing that, to set up a department of industry and trade to integrate the present Department of Trade and Commerce with the proposed new department. Certainly there will be a duplication of functions. The present personnel of the Department of Trade and Commerce are fully cognizant of the many factors and problems and would in turn be in the best position to carry on work efficiently for the creation of industry and the establishment of new industry in the country. I think the word "industry" should come first, because when you think of industry it connotes production. When you think of trade you think of markets, so you can argue that one or the other should come first. But actually industry and trade are like the two blades of a scissors. In terms of the economy of the country and in terms of giving employment to people, you cannot tell which one of those two blades of the scissors is cutting the most. They should be put together, and they are put together whenever you use a pair of scissors. Likewise they should be put together in the creation of this new department. Let us name it the department of industry and trade. Amalgamate any other activities you wish by way of departmental bureaux, and so on, and put them into a new department of industry and trade. Then leave them, in turn, to go ahead with the development of new industry.

Coming to the location of industry, I have already raised some points, but I should like to say that if location of industry is to follow a pattern free from political influence it should be set up in those areas throughout Canada where the economic chance of success is the greatest. If political influence is involved they may be located anywhere. I am not going to discuss that at this time. There will be other occasions when matters of that kind can be discussed. I have already asked the Prime Minister to define what he means by areas, and at some later time we will discuss that matter.

The atomic energy commission of Canada has now reached the point where they want a heavy water industry established in Canada, and on more than one occasion I have brought this matter to the attention of the government. This type of enterprise should be located at Pincher Creek in Alberta because there you have tremendous quantities of coal nearby, which is absolutely essential in the manufacture of heavy water. Hydrogen sulphide is needed and it is found there in abundance. You also have methane gas there which is needed as fuel.

It is all well and good for the Minister of Finance or anyone else to look at this matter from their own point of view, but my touchstone in bringing these facts to the attention of the house and the country is that there is a combination of factors which point the way. There is an abundant supply of raw materials, including hydrocarbons, available there which you have not got in any other location in Canada.

Fifty per cent or more of the natural gas that warms the homes of Ontario comes from my riding south of Pincher Creek, and it is right in that area where all these by-products of the natural gas industry must find a market. As hon. members know, the sour gas coming out of the ground, which is often referred to as wet gas, must go through

a process of stripping out the methane, ethane, propane, butane and hydrogen sulphide. It is from these and their by-products that over 10,000 products can be manufactured by petrochemical industries, and it is the establishment of industries there to use the gas by-products that now have to be flared and burned about which I am talking. I am trying to bring it to the attention of the house and the government that a new industry is needed which will utilize part of the natural gas that is going to waste, and this in itself should be sufficient justification for the location of the heavy water plant at Pincher Creek.

I know that this project is going to be left to private industry but I also know that the present government working through the atomic energy commission is going to have something to say about the matter too. So we are watching the situation and we are going to do everything we can to have this plant located at Pincher Creek in Alberta, where natural conditions and its chances of success are greatest.

I have been referring to one type of petrochemical industry. We want other types of petrochemical industries established in that area. We are looking forward to the establishment of this new department of industry to give a stimulus to the development of industries in our area where we have an abundance of natural resources, where people are crying for new industries. As a result of this legislation we want to see new industries established and carried on in areas where there is the greatest potential and supply of raw materials, the greatest potential for employment of labour and the greatest potential for income to management and labour. Once industries are established there will be no question about the mobility of labour. The migration of labour will follow to wherever new industry is located. What is of vital interest is to establish these industries where they can pay the highest wages and where the highest net income to management and labour will permit the highest profits and standards of living. This should be the touchstone, not politics, in the establishment and location of industries.

I want to end on that note. We are looking forward to great things and as one member of the house I shall do everything I can, other things being equal, to support the establishment of this department of industry, the intention being to use social capital where private capital is insufficient to bring about the development of new industry.

(Translation):

Mr. Martineau: Mr. Chairman, it gives me great pleasure to take this opportunity to say a few words on the resolution brought before this house by the right hon. Prime Minister (Mr. Pearson) who, by the way, used astonishingly vague terms to propose in this house the establishment of a new department of industry.

A mere glance through his speech of introduction with a few quotations at random will show hon. members to what point he was vague.

For instance, as can be seen on page 801 of *Hansard*, the Prime Minister said:

> The test of the value of the economic council's work will be whether it succeeds in identifying what I might refer to as the emerging points—

I think this a completely new phrase and I don't quite see the meaning of it. Anyhow, he discusses the—

> —emerging points of expansion in our economy and to help keep our economy expanding to a point where it will be able to provide for full employment.

There you have vague expressions of laudable intents, but as for substance, there is little or none.

And here again, the Prime Minister added:

> Its task will also be to guide the public and the government and to give advice on what are the sectors of our economy—

Well, I think that any government activity must in some degree serve as a guidance for the public and also for the government; and if the function of the new department is nothing more, indeed, there is not much to make such a fuss.

And the Prime Minister continues:

> The point and purpose of the department of industry, which it is proposed to set up, will be to assist in transmitting these various ideas into effective action.

What are all those ideas he is speaking about? He doesn't know, because he says that the various ideas, which will fall from heaven like a kind of manna, I suppose, are those which will be suggested by the Canadian economic council, which is not yet set up.

Up to now, it is therefore mainly suggested that some container be formed, as it were, but nobody knows exactly what it is going to hold.

The Prime Minister also said that this department of industry will help the manufacturing industry in the same way as the Department of Agriculture serves the farmers.

There is another point which still should be fully cleared up, more particularly in view of the fact that the government did announce its intention of forming, or rather of dividing the existant Department of Agriculture so as to form two branches, one for the west and the other for the east.

The Prime Minister said moreover:

—the functions of the new department will be to maintain close, practical contact with industry, to make sure that industry gets service from government.

And the Prime Minister added:

—it will be concerned with the building rather than the blueprints of an expanding economy.

And again, he said:

—we are not, of course, writing on a clean slate.

Now, Mr. Chairman, the cat has come out of the bag. As a matter of fact, this new department will give us nothing new and will not really mean that help or assistance which was so widely discussed and that this government, when it formed the opposition, and more particularly during the last election, pretended to be the cure for all the ills from which our economy and secondary manufacturing industry in Canada are suffering.

And still further on, he said:

In introducing this measure, the government has no intention to set up a great new bureaucratic machine, duplicating work already being done—

Well, if it is only to duplicate work being done elsewhere, there is not much sense in making such a fuss about a new department whose duties are not known exactly.

In short, Mr. Speaker, the government seems to be in the same situation as a hen that has given birth to an ugly duckling and does not really know what to do with it.

I may be unfair toward the government but after looking fully into the minister's statement, I find that my remarks reflect fairly well the vague recital he made on that occasion.

We are still at the resolution stage and I trust that the bill itself will reveal the concrete measures through which the government intends to grapple with this serious problem of giving new impetus to secondary industry in our country.

Mr. Chairman, we fully agree with the Prime Minister concerning the general aims set out in the resolution. We can say it again, that is easy; anybody would do that. May Canada's economy be able to compete with that of any other country in the world. That is a fine ambition but, for the time being, we have no idea as to how the government intends to proceed to achieve that objective.

We hope that the new department will tackle the true problems of our economy. One of those problems is the necessity for our industries to manufacture commodities which would be a specialty of Canada and which no other country could produce as well and under the same conditions. If the department succeeds in assisting certain industries where we have a definite advantage over other countries, then its contribution will have been worth while. I do hope that the new department will earnestly consider this vitally important matter of industrial research.

In Canada, a vast but sparsely populated country, the problem of industrial research is more critical than in some other countries. Lacking as we do the tremendous research facilities enjoyed by some of our wealthier neighbours, especially the United States whose material means are far superior to our own and which is therefore able to devise, to break new ground, to produce on a massive scale and then to distribute goods all over the world, Canada has to specialize in some well-defined areas of production.

I also hope that the new department will look into the possibility of stepping up the productivity of the Canadian economy and the productive capacity of the Canadian worker. Incidentally, I feel we have good cause to deplore the imminent disappearance of the productivity council which has assuredly been of very great service to the industry of this country.

I also hope that this new department will set itself to solve the commercial deficit, to which the Prime Minister made reference without however attempting to clarify his thinking in this regard.

I also like to believe that the new department will consider the problems brought about by the commercial blocks, as well as those resulting from automation. The Prime Minister dealt with automation, but in very vague and general terms indeed.

If I understood him correctly, he believes that unemployment is the most serious economic problem facing Canada today. We would be hard put to contradict him on this point. He added that secondary industry is one of the most fertile sources of new employment in Canada. There again, he is right. However, a distinction is in order and the statement must take into account the problem springing up from automation in the industry.

On this score, I remember reading lately that in 1961, President Kennedy set up a committee to consider this question. This committee included the U.S. secretary for labour, Mr. Goldberg, the secretary for trade, seven American business leaders and seven national union leaders. They met and

came to certain conclusions. One of those conclusions was that, in spite of the growth in productivity and in spite of a record economic activity, unemployment nevertheless continued to take alarming proportions in the United States, even though their manufacturing industry, which is one of the most steady and most solid in the world, was in a very healthy condition. Well, in order to keep pace with technological developments and to remain competitive in this modern world, the American industry had to modernize itself. Moreover, the report suggested that the fantastic sum of $100 billion would have to be spent in the United States only before it could finally be said that American secondary industry is really modern, really up to date, and in a position to compete with the renovated industries of a reconstructed Europe. It must be said that what is true for the United States is just as true for Canada. Finally, the report submitted to the president by the secretary for labour noted that it was necessary for the American industry—and, on this point, what applies to the American industry can be applied to the Canadian industry—to undergo modernization and automation, but that certain compromises should be made and, especially, that industry and manpower should be prepared to accept these new conditions.

The report recommended in particular that there be, first of all, a reasonable interval, in any industry, between the time at which the decision to adopt automation in a factory or in all the factories was taken and the date of the effective change, so as to prepare the workers for this change.

Second, he said that it is important not to introduce this new procedure when the economy is slowing down, but to be careful in choosing for each particular industry the moment when it is at its peak. If industry were to apply those principles to the process of automation one of the almost inevitable results of automation would be avoided, that is technological unemployment.

In my opinion, that is one of the problems that this new department should tackle most seriously.

The Prime Minister said that he did not want, through the establishment of this new department, to create a new bureaucratic machinery but this places him in a dilemma: the new department will make innovations or else it will have no value whatever. If it is meant to experiment to actually serve industry, it will have to hire a qualified staff, an expert staff to show the way. This will obviously increase the bureaucratic machinery. It is useless to say that the number of civil servants is not increased with the creation of a new department. How can we set up a new department without at the same time recruiting the required personnel.

The Prime Minister also mentioned that he did not intend, with this new department, to infringe on the rights of the provinces. He specified quite rightly that industry comes under provincial jurisdiction. He said that the department would enter into joint projects even though the Liberal program as advertised in the province of Quebec was based on federal withdrawal from joint programs.

Now, this is a new joint program, a new department whose prime objective will be to work jointly with the provinces, in other words, to initiate other joint programs. I am wondering what the premier of Quebec will say about this draft legislation seen under such a light.

He also spoke about the establishment of an area development agency, and here again I have to make some reservations. I believe we should examine this legislation very closely to see whether or not it infringes upon provincial jurisdiction, because when we are talking about area development we are dangerously treading on ground traditionally reserved to the provinces. I believe that as far as area development is concerned, there is a lot to be done and a new department must co-ordinate and consider government policies in order to ensure that underdeveloped areas shall benefit to the fullest. I quite agree with that, for there are in this country, in our province, and also in the riding which I represent, vast underdeveloped areas. Not only are they areas with a surplus of manpower but especially, and to a greater extent, they are underdeveloped areas.

It is not so much that there is a surplus of manpower, but rather that the workers cannot earn a living, so they leave the area for the city. That throws the whole Canadian economy out of balance and creates communities so large that they become uncontrollable compared to the vast wilderness of rural areas. It is an important problem which affects large segments of the population.

I feel the Prime Minister will have to tell us more and I hope he will do so when he introduces the bill in the house.

Before ending my remarks, I can say I am ready to support it, but, to use a legal expression, with all due reservations.

Mr. Gregoire: Mr. Chairman, I should like to say a few words on the resolution now before the house. I note that it is divided in three parts. Part A concerns the appointment of a minister and a deputy minister, B deals with the establishment of an area development agency and C provides for their salaries.

Parts A and C are easy to understand and surely do not involve any great decisions. Therefore, the resolution refers only to an area development agency and then, the Prime Minister (Mr. Pearson) explained what he intended to do through that legislation in his speech of last Friday introducing that bill.

And now Mr. Chairman, here are the few proposals discussed by the Prime Minister when he introduced that motion. First of all, he said, as can be found on page 802 of *Hansard*:

> . . . what can be done to increase Canadian production and how government can help in this regard.

How can we increase Canadian production? It is very simple. We should increase the purchases. Do you want to increase production? It is as simple as that.

Lately, I met someone who works in a plant where they make white pieces of furniture, stoves, washing machines, refrigerators, and he told me that as far as these goods were concerned—similar industries only run at 40 per cent of their capacity—40 per cent at most of the Canadian people have what they need in that respect.

The industry is capable of increasing its production but unfortunately there are no buyers. If the Prime Minister wants to know how to increase production in Canada, here is the answer: see to it that the people can increase their purchases, increase their purchasing power. If that is done, production cannot but increase.

And a little farther, I read this:

> That the functions of the new department will be to maintain close, practical contact with industry, to make sure that industry gets service from government.

Well, Mr. Chairman, let me tell you one thing. If the department maintains close contact with industrialists, here is the first thing that will happen: they will prove they are overtaxed, that taxes being too high, prices will have to be increased. At the present time, federal, provincial, municipal and school taxes are rising sharply.

Now, if the minister keeps in close contact with industry, I think he will receive some requests, and that the first one will be for a tax reduction.

Mr. Chairman, in his speech on the establishment of a department of industry, the Prime Minister stated, last Friday, as we may see on page 802 of the official record:

> Where are we going to provide the jobs for the 250,000 young people, by which our labour force is going to increase in each of the next few years?

And further on, he added:

> Where will we find, in addition, the new jobs that are needed to keep pace with automation—

With regard to this matter, Mr. Chairman, I think that the government should consider the unemployment problem under a quite different angle than the industrial one. And as far as the field of labour is concerned, Mr. Chairman, I would submit the following thesis to the Prime Minister. It has been recognized that the labour and employment field comprises three sections.

First of all, there is what we may call the production section. Now, 100 or 150 years ago, the whole population applied itself to production. The shoemaker made the shoes himself which he put in his showcase and sold them himself. The use of machinery also was part of productive labour, because automation had not yet been discovered. Indeed, today some industries may produce quantities of goods with only very few men, and at this point the second section appears in the field of labour, that is the marketing section. There are some men who are employed in production and others in marketing and sales. The latter created a new source of employment, but today, we have come to the point where industry grabs all the labour it can.

On the other hand, there is an excess of labour in the marketing field. Indeed, salesmen can even be seen going from door to door offering shoe laces, dictionaries, bibles, perfume, and what have you. Now, as the marketing and sales field is already overcrowded, the unemployment problem will scarcely be solved that way, nor even by trying to employ all Canadians in industry.

There remains a third section in the labour field, the useful and needed services to the people, a section which will know an ever-growing development. Indeed, following auto-

mation and our recognized possibilities of production and marketing we can afford to go ahead and develop that third section, i.e. the services which men can render their fellow men.

And among the various kinds of employment which may be found in the field of services, we may mention, for instance, the case of the school teacher. The present regulations in the province of Quebec call for one teacher per 40 pupils. Well, the highest authorities in pedagogy agree that in order to successfully look after education, there should be a minimum of one teacher per 14 pupils. Now, this would mean over 75,000 more teachers for the province of Quebec.

The country also has an urgent need for physicians, technicians in the field of medicine, town planning, architecture, in a word for a host of professional people who could serve their fellow citizens. And when the Prime Minister put the question as he did last Friday:

> Where are we going to provide the jobs for the 250,000 young people by which our labour force is going to increase in each of the next few years?

My reply to him is: Do not try to lead all those young people to industry because it would be a mistake due to automation which is spreading all the time especially the last few years and will continue in the future. In addition, as it was never tried in the past, let him not throw everybody in the field of production.

Mr. Speaker, we know our country has productive capacity. It is also true that we could set up new secondary industries, but the fact still remains that a very low percentage of the labour force would be engaged in industrial production, while the majority of workers will have to enter the fields of sales and services. When we consider that one out of 18 persons is working in industry and that industrialists at this time are receiving more applications than they can offer jobs, we must realize that the industrial field is saturated as far as employment opportunities are concerned and that automation will displace a great number of our working force.

Mr. Chairman, I hope that the department of industry will first of all enable Canadians to purchase not produce only. I do not want you to believe that I am opposed to production, quite the contrary, I am for it, because the more we produce the more we can satisfy the need of the Canadian people and this is

the aim of the economic system. But at the present time, in this period we are going through, we must make every effort to sell anything the industry can put out. We must help industry to sell goods and to this end we must supply the Canadian citizens with purchasing power. This is the most important problem.

Mr. Chairman, we must not rely on economic guidance boards or departments of industries to solve the unemployment problem, like the Prime Minister tried to indicate in his speech of last Friday. We must not rely on that because we could be very bitterly disappointed.

Mr. Chairman, I also note that speaking about industrial protection, the Prime Minister said it was not by maintaining high tariffs that we would sell our goods.

Well, let us not forget that products made in Canada are more expensive than goods made in other countries and that when tariff barriers are removed, less expensive products will sell first. In fact, why are our products more expensive than those made in the United States? Because our taxes are higher. Indeed, it costs no more to make a package of cigarettes in the United States than in Canada, because it is the same tobacco and the same paper. Nevertheless, Americans pay 27 or 28 cents, while Canadians have to pay 40 cents. The difference in the price goes in taxes.

If the department of industry is expected to launch into a reduction of tariff barriers, I agree, because I am in favour of trade between nations, but to begin with, we must stabilize our prices in order to compete with other countries in imports and exports. And to do that, we will have first to reduce the taxes on our products.

Mr. Chairman, those were the few observations I wished to make. In fact, I have another one, following some observations by the right hon. Prime Minister who said, speaking about an area development agency:

> The areas which concern us are those where unemployment is prevailing—

Mr. Chairman, I should like to ask the Prime Minister to name just one region in Canada where unemployment is not prevailing, only one. In fact, even in his riding unemployment is rife.

Now, if he is concerned about the regions where unemployment is prevailing, he must realize that unemployment exists all across the country because it is not a localized matter due to geographic or transportation circumstances. Unemployment is a national plague, all across the country. It ignores regional frontiers and extends to all areas, in every corner of the country and it will have to be eradicated everywhere.

Mr. Chairman, the Prime Minister also stated:

> —the government is by no means blind to the difficulties and problems which will arise and which the new department, if it is set up, will have to face.

Mr. Chairman, it is not the department of industry which will settle the problems everywhere. I do not see why new problems should arise, provided the new department guides the economy in the right direction; if such is not the case, not only will it fail to solve the problems, but it will not do anything constructive.

Without wishing to criticize in any way the measure put forward by the Prime Minister, I felt I had to call his attention to a few problems that will come up. I felt I had to tell him also that even if he sets up a department such as the department of industry, even if he manages to achieve the purposes of paragraphs (a), (b) and (c), that is if he appoints a minister and deputy minister, if he sets up a Canadian development corporation and if he raises the salaries of the minister and the deputy minister, that will not help him solve the problems he seemed to mention in the speech he made last Friday. Let him rather think of developing other fields of human activities that will open new opportunities, because those we have now, that is factory work or merchandising, are already saturated.

It might be possible to establish new industries or at least to help the Canadian people, for example, in industries such as steel, asbestos and many others.

It is recognized that our building industry is greatly developed, but why is it not developed even more, especially when there is such a need for slum clearance, when there is a need for more than 800,000 new homes in Canada. There is an industry where assistance is badly needed and it should not be given by trying to teach the plumber how to install his pipes or the contractor how to build a house, but first and, foremost, by enabling the ordinary Canadian citizen to go and buy himself a house. Let us leave the house builder alone. He will manage to build the house. Let us reduce taxes, and the house will cost less. Let us reduce interest rates of the Central Mortgage and Housing Corporation, and the ordinary Canadian will be able to buy his house, and you will see how many plumbers, electricians and workers are able to buy a decent house and that Canada is able to provide a home for each and every Canadian citizen.

If the Prime Minister, the Leader of the Opposition (Mr. Diefenbaker), the ministers, all members can live in proper houses, it means that, at the time, we had the manpower, the skills, and the materials necessary to build them. Well, Mr. Chairman, I say to the Prime Minister that we have everything we need in Canada to build houses for all Canadians. The solution is to help the humble folks to buy their houses. That is the problem.

It is simple, nobody need have invented gunpowder to be able to discover that.

So, I believe that the first concern of this department of industry should be to help Canadians to buy what industry can produce. If the department of industry can do that, Mr. Chairman, the day Canada will be able to buy what its industry can produce, it will be possible to say of the present Prime Minister that he has introduced the best measure ever carried by a government here, in Ottawa, an act which will have settled the problem that faces Canadians in allowing them to buy, to acquire all the wealth human industry and primary resources can give.

Mr. Pigeon: Mr. Chairman, I would not like to see the setting up of this new department becoming an opportunity for the present government to interfere with provincial jurisdiction in industrial and economic matters.

We are very anxious to know whether the government has contacted the ministers or the premiers of each province to see if provinces such as Quebec and Ontario, as well as others, are in favour of the establishment, by the federal government, of a department of industry, so that the jurisdiction of each province in this field shall be respected.

Indeed the new minister who will be appointed to head this department, should give us information on this point. However, the fact that the Minister of Defence Production (Mr. Drury) will head this department is a

somewhat comforting thought. If the minister responsible for this department had been the hon. member for Outremont-St. Jean (Mr. Lamontagne), we should have been quite worried about the autonomy of the provinces, for the hon. member is a known advocate of centralization and, in the past, he has disregarded the rights of the provinces.

In any case, we are anxious to learn whether the Prime Minister has consulted with the premiers and sought their co-operation and whether the provinces were willing to co-operate. As far as the province of Quebec is concerned, we know of the many ultimatums which the Lesage government has served on the federal government.

Mr. Chairman, it would be unfortunate if this new department were to become an opportunity for intrusion into provincial jurisdiction, delayed the development of confederation and rather jeopardized it.

Mr. Chairman, the resolution specifies that the minister shall have certain experts to advise him.

I strongly suggest that he recruit the majority of these experts in the provinces where there is less heavy industries, such as the province of Quebec and the maritime provinces. We all know that these provinces suffer from a lack of heavy industry.

There is at present a national lack of balance which even affects national unity, for when there is an economic recession in some parts of the country, national unity is automatically affected and even the wealthier provinces are adversely affected.

It would also be advisable that the new minister, after having consulted with the provinces so as to avoid encroachment in their respective jurisdictions, find ways and means of processing our raw materials domestically.

Today, we see carloads of nickel ingots, carloads of iron ore being shipped direct to the United States where they are processed and manufactured, and then sold back to Canada.

If these raw materials were processed in Canada, our workers would thereby obtain jobs and additional income, and this would also bring extra taxes to our country.

We could also sell more abroad and get in this way more foreign currency which would contribute to decrease our trade deficit.

Everyone knows that the province of Quebec holds a record as far as the number of the unemployed is concerned. Forty per cent of the unemployed are from the province of Quebec. Thus I ask the new minister to undertake a very special study in that field in order to give a lift to the economy of the province if possible, to bring in heavy industry, so that it can prosper like the other provinces—and this applies also to the maritimes, so that those provinces can increase their economic strength.

A few days ago a prominent professor at Queen's University during a lecture, stated this—and here I quote *La Presse*, the Friday edition, last June 7:

> Quebec will need twenty years before it can hold an important place in industry.

Which means, Mr. Chairman, that the new head of that department has a long way to go and that he must work continuously to that end. I know that he has had vast experience, but I have to reproach him slightly, although I know that he is not the only one to blame. During the last world war, the Department of Defence Production established hardly any heavy defence industry in the maritimes and in the province of Quebec.

For example we find, in the county of Joliette-L'Assomption-Montcalm a branch of Canadian Arsenals which is called the Cherrier plant. That plant had an employment capacity of 15,000 men during the last war, and after the war that figure fell to 500 or 600 employees, where it remains now.

I ask the minister to work with all his might and to follow in his predecessor's footsteps, those of the former member for Lotbiniere, who secured from the Americans very important contracts to provide jobs for our workers, especially in the field of defence production.

I also advise the new minister to set up a Canadian textile council. Unfortunately, the former Liberal government neglected too long in the past the textile industry that is largely concentrated in eastern Ontario, Quebec and the maritimes

The textile industry has been described as ideal for Canada:

1. Over 50 per cent of that industry is in Canadian hands;

2. It employs the greatest number of workers during the winter, which reduces seasonal unemployment;

3. It meets basic needs;

4. It can be located in underdeveloped areas;

5. It uses Canadian materials.

The primary and secondary textile industry is owned and operated by Canadians in

the proportion of 84 per cent, as against 48 per cent of Canadian industry in general. The labour force is at its highest from September to April and falls off during the summer months. That industry meets an obvious need of primary importance.

When a production need is felt, that industry can settle in areas where industry is totally non-existent, or almost, because of its great need for skilled and unskilled labour.

New industries have tried to locate in the maritime provinces but they had a great deal of difficulty because of the slowing down in production. There are numerous new synthetic Canadian products such as rayon, nylon, viscose and acetate.

Mr. Chairman, over 130 million pounds of refined pulp are used as raw material for the manufacture of rayon in the textile industry. The value of the pulp increases from 1 to 30 per cent per pound before use.

Almost 100 per cent of the Canadian wool production is used in our mills and most of our chemicals are of Canadian manufacture.

Please note, Mr. Chairman, that the textile industry alone employs the greatest number of workmen in Canada. It is more than the mining industry, 20 times more than all the petroleum industries, almost twice as much as the forest industry and almost twice as much as the paper industry.

I wanted to call the attention, Mr. Chairman, to the importance there is for this new department, in co-operation with the provinces, to promote and protect our textile industry. I know that the minister and the Prime Minister agree with me on that matter. The devaluation of the Canadian dollar greatly helped the textile industry during these last years. I wish I knew if the new minister agrees with me on that matter.

Mr. Chairman, I do not want to interfere with the provincial jurisdiction, but as a taxpayer and a citizen of a province, I also think it is reasonable that in the future, before granting a mining claim, the provinces concerned should set drastic conditions to foreign capital which will get them, so that in the long run, Canadians may become owners instead of always serving our powerful neighbours to the south.

We want to co-operate with the United States, but we also want them to give Canadians a chance to participate in the executive boards. Need I have to remind you, Mr. Chairman, that foreign capitalists control 57 per cent of Canadian industries.

It is also a danger from a political point of view. We know something about it on this side of the house in view of certain events which took place recently. Following an electoral campaign, we know that foreign interests own more than 50 per cent of capital investments in this country and thus, could control our politics.

I would like foreign capital, which is always welcome in our country, to be placed under Canadian control. And as I said earlier, Americans should give Canadians an interest in American subsidiaries. It is also unfortunate to see Canadian industrialists who have succeeded through their efforts and in spite of competition, being forced to sell their business to foreign interests as soon as it is flourishing. The provinces should also restrict those transactions, but without interfering with the freedom of industries. There should be a special committee in every province to prevent Canadian industrialists who own a family concern from selling it to foreign interests. For instance, the Sorel Industries sold its forge to a large American steel mill. It is most unfortunate to see Canadians who have set up a successful business reach a point where they must sell it to foreign interests.

Mr. Chairman, I trust that the new department of industry will be cautious in all circumstances, especially concerning tariff matters, so that tariff rates will not be abolished. There is a refrigerator factory in my riding. If tariff rates were to be abolished, it would have to close down and lay off hundreds of workers.

The same thing could be said of agriculture. Customs tariffs should not be abolished. Our farm products especially should be protected against American dumping.

I also hope that the Canadian government will find new markets for our products so as to diversify our trade patterns. Our imports from the United States are larger than our exports, with the result that we have a trade deficit. The smallest change in the American protectionist policy has its effects in Canada.

Establishment of Industry Department

In closing, I should like to express the wish that the new department of industry will co-operate with the ministers of trade of the provinces for the establishment of the metric system in Canada. In the past, I had the opportunity of showing the great advantages that would ensue from the use of the metric system in conjunction with the imperial system of weights and measures. I have pointed out to the house the tremendous opportunities we have lost in the field of international trade, especially as far as precision tools and machinery are concerned. I should like to make the following constructive suggestion to the minister. In my opinion, a federal-provincial conference should be called if necessary, so that the metric system may be applied and taught in the schools.

The provinces should progressively adapt their highway traffic signs to the national standards to help our trade. Canada, the United States and a few other countries will soon be the only ones to recognize our present system.

Great Britain is said to be substituting the metric system for its system of weights and measures. In our country, if we want to be up to date and to compete on world markets, if we want to be leaders in world trade, we must go forward.

I hope the minister who is quite resourceful will consider these problems with the co-operation of the departments of trade and industry of the provinces, in order to leave no avenue unexplored in his efforts to check unemployment and increase our export trade.

(Text):

Mr. Peters: Mr. Chairman, I have only a few remarks to make on this resolution to set up a department of industry. In view of the fact that the Prime Minister himself introduced this resolution and is obviously so interested in it, I think something should be said about areas like his own about which I presume he would find some difficulty in speaking owing to his position in this house. For many areas of Canada the area development agency is going to be the answer to a promise made by the Prime Minister and other members of the government to solve some of the industrial problems of areas similar to the one represented by the Prime Minister.

In combining these various agencies that the Prime Minister mentioned it would appear that for the second time in my experience we are creating a new cabinet post and we hope that this has not been done to provide a job for a specific person but that a much broader application is involved. The former government established the Department of Forestry which has grown very rapidly but it is my personal feeling that maybe it was set up for a specific purpose and that it grew like Topsy after the original need was met.

I believe that area development can and will eventually be one of the major roles of government, and I am wondering, as did a previous speaker, whether this can be done by government that is pledged to the free enterprise system and to the maintenance of that system. I am wondering how you can say that you are going to have people brought into this new department to administer the department of industry and at the same time say that you are going to provide area development for those areas where industry is not now located.

I believe that in many parts of Canada industry location is going to be the most important question that the government will have to face. The Prime Minister's area, which has developed very rapidly, has reached a stage in less than 10 years that it took my area 50 years to reach. But the result has been the same. In both these areas we have had development. Social capital has been expanded beyond the needs of the people of the area at the present time. This has been done in many parts of Canada through basic industry development. Such development will still continue and will be encouraged in the normal way where industry can produce a product at a cost that makes it worth while to operate as in the case of the new mining development that is taking place in my area. Under normal circumstances these industries will develop themselves.

There are areas, however, where no new basic development is taking place and industry is going to have to be given a shot in the arm. Industry is going to have to be assisted and is actually going to have to be directed because if it did not need to be directed it would already have located in these areas.

It is quite true that many of the things that have been done in the last five years have been advantageous and have provided initiative to bring new industries into such areas. Yet if we look at most of the major areas of surplus manpower across Canada we will find that few industries have gone into those areas of their own volition. The cities, the

major consumption areas of the country, are still growing very rapidly while other areas are not growing at all.

The previous government, and I presume this government intends to do the same, gave financial assistance, direction and technical advice to induce industry to locate in specific areas that are known as disaster or distressed areas. This has resulted in many surprising things. I was interested to read in the Toronto *Star* not long ago that Nova Scotia now has a new rug manufacturing industry. If this industry had not been given some assistance by the maritime council, which has been helpful in assisting other industries in Springhill and throughout the maritimes, I think this rug manufacturing industry would not have gone to that province but would have gone to a city like Toronto or Hamilton, or the surrounding area.

Industry itself has not proven its capability to develop in those areas where industry is not now located. I can remember what happened not long ago in the towns of Orillia and Barrie which are probably closer to the large consuming centre than Hamilton. Five years ago in Orillia and Barrie there were people working for 50, 60 or 65 cents an hour. If one listens to what industry says, that should have been all the incentive necessary to bring industry there. It is true that to some extent it did.

I can remember being in Windsor when one of the auxiliary plants of the automobile industry decided to move to Orillia principally because of the lower wage rates in that town. It was not very long until they moved back again to Windsor and relocated their plant there because wages, municipal grants and other incentives commonly used to induce industry to locate in a particular place are not enough to bring about the redevelopment of industry that is necessary in those areas where the need is greatest.

In northern Ontario we are not distant from the market. It is true that industry will say that it cannot go outside of the major consumption areas because the greater portion of their products must be consumed locally or it is not advantageous to them, and I have already indicated that many communities offer incentives that amount to the same advantage in dollars and cents as these industries would have in one of the larger population centres.

Mr. Pickersgill: I wonder if the hon. gentleman would permit me to interrupt him for a second to see whether it might be the wish of the committee to continue for a few minutes longer with a view to getting the resolution through and having first reading of the bill. There has been debate all day on this motion and there was some on Friday. Perhaps hon. members would feel that any further remarks might be made on the bill.

Mr. Peters: If it is the wish of the committee; but I only wanted to bring forward this matter of area development at the resolution stage, although I know I do not need to bring it to the attention of the Prime Minister. Maybe we are naïve enough to think that the discussion that takes place on the resolution should have some bearing on the bill that follows, and now that this matter has been brought to the attention of the government the Prime Minister may see fit to do something in this field for both our areas.

Mr. Churchill: Mr. Speaker, I agree with the hon. member for Timiskaming, that the resolution stage of the bill might serve, and has in the past sometimes served the purpose of getting the government to change its mind with regard to a bill, and deciding to redraft it and present it in an amended form. I think the resolution stage of this bill is very important and there are other members who wish to speak on the resolution stage.

Progress reported.

NATIONAL DEFENCE

PERSONNEL OF SPECIAL COMMITTEE

Hon. J. W. Pickersgill (Secretary of State): I wonder if I might have leave to revert to motions to move a motion which I should really have made at the opening of the proceedings today?

Mr. Deputy Speaker: Has the Secretary of State leave to revert to motions?

Some hon. Members: Agreed.

Mr. Pickersgill: I move:

That the special committee on defence appointed May 30, 1963, be composed of Messrs. Asselin—

Mr. Churchill: Could we have the names? There are only 24.

Mr. Pickersgill: I would be very happy if Your Honour would read out the names.

Mr. Speaker: By unanimous consent, the Secretary of State (Mr. Pickersgill) moves:

That the special committee on defence appointed May 30, 1963, be composed of Messrs. Asselin, (Notre Dame de Grace), Baldwin, Bechard, Brewin, Churchill, Deachman, Fairweather, Granger, Groos, Hahn, Lambert, Laniel, Lessard (Lake St. John), Lloyd, MacInnis, MacLean, Martineau, Matheson, McMillan, Patterson, Sauve, Smith, Temple, Winch.

Is it the pleasure of the house to adopt the motion?

Motion agreed to.

BUSINESS OF THE HOUSE

Mr. Churchill: May I ask the house leader if the business for tomorrow is as announced, namely, item No. 2 on today's order paper?

Mr. Pickersgill: Yes, it is proposed tomorrow, as I indicated on Friday, that we should start with the resolution in connection with the municipal development and loan board. We would hope that good progress could be made on that motion and before the end of the day it would be possible to revert to the motion in connection with the department of industry upon which the hon. member for Winnipeg South Centre has indicated several other members wish to speak, and that we might be able to complete both of these tomorrow. If we should complete both of them and there were any additional time, I would propose to begin the resolution preceding the amendments to the Atlantic development board.

It being five minutes after ten o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Tuesday, June 11, 1963

The house met at 2.30 p.m.

PRIVILEGE

MR. DEACHMAN—PRESS RELEASE MAILED UNDER MEMBER'S FRANK

Mr. Grant Deachman (Vancouver Quadra): Mr. Speaker, on a question of privilege, I received in my mail yesterday, too late to bring to the attention of this house, an envelope bearing the frank "W.D.H., M.P." In this envelope there was no letter from a member of the House of Commons, but a press release and communication from Mr. George North, who is the editor of *The Fisherman,* a weekly newspaper published in Vancouver for fishermen and known by everyone in Vancouver to be a communist slanted paper. In the accompanying note he says to me:

> Dear Mr. Deachman:
> Thought you might be interested in the accompanying statement issued June 7 in regard to Norpac treaty negotiations.

With that he enclosed his press release, which has some pretty disparaging things to say about the Minister of Fisheries (Mr. Robichaud) and those associated with him. I will quote from it briefly:

> Only a man who is deaf—

He refers here to the Minister of Fisheries:

> —dumb and blind could have failed to realize that this was no threat but a logical move on the part of the Japanese to take advantage of the weak kneed—

He spells that "need":

> —unprincipled approach to these problems displayed by the Canadian government, its fisheries department and its hand picked puppets.

Then he goes on a little later to say:

> He can either continue to evade and dodge the facts of life and mislead the people of Canada whom he professes to represent and supinely knuckle down to the U.S. state department or he can stand up for the fishermen—

My question of privilege is this. Can a member of the House of Commons give the stationery of the House of Commons and his frank to someone outside the house for the purpose of disseminating material of this kind, without any accompanying note, explanation or covering memorandum from that member?

Some hon. Members: Shame.

Mr. Robichaud: Red propaganda.

Mr. Speaker: Hon. members will of course realize that this is a very interesting point of privilege, but if the hon. member wished to take action he would have to move a motion. There is no motion before the house; therefore, unless the hon. member wishes to take further action, the matter is in effect closed.

Mr. Deachman: I move no action against the hon. member.

Mr. Speaker: I beg the hon. member's pardon?

Mr. Deachman: I move no action against the hon. member.

[*Later:*]

Mr. William Dean Howe (Hamilton South): Mr. Speaker, I rise on a question of privilege. When the house convened at 2.30 this afternoon and before I was in my seat the hon. member for Vancouver Quadra raised a question of privilege. I understand the hon. member asserted that he received through the mail certain material to which he made reference and that the envelope had on it my frank which was apparently rubber stamped. If it is correct that my frank rubber stamp was used, I wish to stage categorically that this was done without the knowledge of my staff or myself, without my permission and apparently on a day when I was absent from Ottawa. The suggestion made by the hon. member that I had anything to do with the mailing of the material in question is completely without foundation. If he had not raised this matter I would not have known that it had happened.

MR. OLSON—REFERENCE TO ANSWER TO QUESTION ON ORDER PAPER

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I rise on a question of privilege, which arises out of an answer that I received from the parliamentary secretary to the Minister of Labour on June 3. On that date the parliamentary secretary answered a question I had on the order paper, and I should like to read both the question and the reply so that you, sir, together with other hon. members, will be able to understand the question of privilege I am raising. They are as follows:

> Has representation been received from any of the provinces to extend the 75 per cent rate of

reimbursement to the provinces with respect to approved capital costs for building and equipment purchased within the agreement of federal-provincial technical and vocational training schools?

The answer given was "Yes".

The third part of the same question is as follows:

Is the government considering increasing the federal share of cost of operation in the vocational training section of these schools?

The answer given to me, Mr. Speaker, was "No". Yesterday the Minister of Labour in his statement to the house had this to say:

In order to step up the training of unemployed workers of all ages the government will introduce an amendment to the Technical and Vocational Training Assistance Act to increase the contribution to the provinces of the cost of provincial training allowances to unemployed persons from 75 per cent to 90 per cent.

A second point in the statement the minister made yesterday was to the effect that the government intended to increase from 50 per cent to 75 per cent the federal contribution to the cost of retraining employed workers.

I do not question the right of a minister or a parliamentary secretary to say, for example, that a question is under review, or that it is under active review, or that the government will announce its policy in due course. I would suggest, however, that an unqualified "no" in these circumstances is not reliable, and that either the parliamentary secretary did not communicate with the Minister of Labour or else he gave me a false answer. As I have said, I do not contend that any minister has to give an immediate reply to a question, but I do not believe he should give a wrong answer. So I am suggesting that the Minister of Labour should get together with his parliamentary secretary before answers are given to these questions.

I am not interested in whether or not the parliamentary secretary wishes to apologize for having given me this wrong answer, but I do think we should have an assurance from him that the answers he does give to these questions are to be relied on.

Hon. A. J. MacEachen (Minister of Labour): The answers which were given by the parliamentary secretary were seen by myself and approved. Therefore, I certainly want to take upon myself any responsibility attaching to the answer given to the hon. member. Unfortunately, as he developed his question of privilege the hon. gentleman did not refer to the particular question he had in mind, so I was not able to follow him. I shall be glad to compare the answers given to his question with the statement which was made yesterday, and it may be that the apparent contradiction which the hon. member feels exists will disappear on further examination. However, I shall be glad to look at this and deal with it tomorrow.

Mr. Olson: For the minister's information, it is question 120 appearing on page 564 of *Hansard* for June 3. I am prepared to accept his undertaking to give us an explanation.

THE BUDGET

TABLING OF BUDGET PAPERS

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, today I have tabled copies in English and in French of the annual budget papers. For the convenience of our members as well as of subscribers to the reports of the house I move that the budget papers be published as an appendix to the day's *Votes and Proceedings* and also as an appendix to the *Hansard* report of Thursday, June 13.

Mr. Speaker: Is it agreed that the Minister of Finance may have leave to table these papers?

Some hon. Members: Agreed.

DOMINION-PROVINCIAL RELATIONS

INQUIRY AS TO CONFERENCE RESPECTING FORTHCOMING LEGISLATION

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, in connection with the municipal loan fund bill and like legislation in which there is an invasion of provincial jurisdiction in any way, may I ask when it is the intention of the government to hold a conference as between the federal and provincial governments in order to ascertain the views of the provinces with regard to this legislation and other legislation of a similar kind?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the right hon. gentleman began his question by assuming that the legislation to which he made reference was an invasion of provincial jurisdiction. Mr. Speaker, there is no such invasion in this legislation or any other legislation we have brought forward; therefore the rest of his question does not apply.

Mr. Diefenbaker: Mr. Speaker, in so far as this legislation is concerned the consent of the provinces is required before any assistance is given to any of the municipalities, as I read the resolution and as the Prime Minister himself said when he gave the first view of this legislation to the association of mayors and municipalities. I ask him, in view of the fact that the consent of the

provinces will be required, is it the intention of the government to have a conference on this question?

Mr. Pearson: Mr. Speaker, the first view of this legislation was not given to any association outside the house, and I suggest that the right hon. gentleman wait until the bill is brought down, when he will see that the terms of the legislation justify what I have just said.

Mr. Diefenbaker: Mr. Speaker, I am not asking subsidiary questions. What I am asking is, is it the intention of the government to convene a conference with the provinces with regard to this question?

Mr. Pearson: I have already informed the house that it is the intention of the government to convene a conference with the provinces at an early date.

Mr. Diefenbaker: Then why so long for an answer?

[Later:]

Mr. Erik Nielsen (Yukon): Mr. Speaker, my question is for the Prime Minister and concerns the federal-provincial conference which he informed the right hon. Leader of the Opposition would be called in respect to municipal loan fund legislation. Has the Prime Minister ensured that the governments of the Yukon and Northwest Territories have been invited to participate in such a conference; and if not, will he do so?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the hon. gentleman's premises are wrong. I told the right hon. Leader of the Opposition that there would be a dominion-provincial conference before long. I did not say that it would be specifically called for this municipal purpose at all. Naturally the territories would be consulted in all appropriate questions before a conference of this kind.

(Translation):

REPORTED CHANGE IN SYSTEM OF EQUALIZATION PAYMENTS

On the orders of the day:

Mr. L. J. Pigeon (Joliette-l'Assomption-Montcalm): Mr. Speaker, I should like to direct a question to the Prime Minister. Does the Prime Minister intend to change the present equalization system as promised by the Minister of Justice (Mr. Chevrier) in Three Rivers on June 15, 1962?

(Text):

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I cannot accept the premises of the question, which are over a year old. The Minister of Justice did not make the statement, so certainly no answer is required from me.

Inquiries of the Ministry

LABOUR CONDITIONS

PARLIAMENT HILL—REPORTED OVERTIME WORK WITHOUT OVERTIME PAY

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I want to address a question to the Minister of Labour. My question is based on incredible happenings on parliament hill at this time. I never thought, Mr. Speaker, I would see the day when I was required to ask a question like this. In view of federal labour legislation, and in view of the vociferous profession of their interest in the rights and welfare of all working people by Liberal party spokesmen, can the minister inform the house why employees of contractors renovating buildings on parliament hill are required to work ten hours a day without overtime? Is this exploitation of labour possible because of government policy?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I wish to thank my hon. friend for acknowledging the fact that the Liberal party is the true champion of the working people.

Some hon. Members: Oh, oh.

Mr. MacEachen: The present law under the fair wages and hours of labour legislation administered by the Department of Labour provides that overtime is paid after eight hours except in emergency circumstances. That is the general regulation. I have not had an opportunity to investigate this particular matter, because I received notice of this question about 20 minutes before the house opened, but I will be glad to investigate and to assure my hon. friend that the championship of the Liberal party for the working people will be applied in this case.

POST OFFICE DEPARTMENT

NOTIFICATION TO DEFEATED CANDIDATES OF RURAL MAIL CHANGES

On the orders of the day:

Mr. P. V. Noble (Grey North): Mr. Speaker, I should like to address a question to the Postmaster General. Is it the policy of this government to notify defeated Liberal candidates of changes or additions to rural mail service, rather than the member of parliament?

Hon. Azellus Denis (Postmaster General): Mr. Speaker, in answer to the hon. member's question may I say that we are looking for the best advice in order to get good employees, and the way this is being done now is much better than the way it used to be done by the previous government.

(Translation):

[*Later:*]

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I should like to ask a supplementary question along the same line. Is the new government also in the habit of consulting defeated Liberal candidates before renting post offices?

Hon. Azellus Denis (Postmaster General): If defeated candidates are no longer worth anything, there are many more Social Credit candidates who have lost all value.

(Text):

Mr. G. H. Aiken (Parry Sound-Muskoka): I have a supplementary question for the Postmaster General. Is it to be inferred from his reply that the defeated Liberal candidates who were not the selection of the people of the districts are superior to those who were elected to represent the districts?

An hon. Member: That is what he said.

Mr. Speaker: I must say that is not a supplementary question.

Mr. Aiken: Mr. Speaker, I rise on a point of privilege. I asked the question because of the direct answer the Postmaster General gave to the hon. member for Grey North. He stated he was giving information to the better person, and I merely asked him if it is his opinion and the opinion of this government that the person who was not elected is to be considered the better person to represent the riding.

Mr. Denis: Mr. Speaker, I humbly submit that the hon. member's question is not a question of privilege.

Mr. Speaker: I do not know whether or not I am in order myself, but two wrongs do not make a right.

(Translation):

[*Later:*]

Mr. Gerard Chapdelaine (Sherbrooke): Mr. Speaker, I wish to direct a question to the Minister of Finance. In view of his earlier statement, should I advise my electors not to come to me when they want to claim their legitimate rights from his department, but to the defeated Liberal candidate in Sherbrooke?

[*Later:*]

Mr. Chapdelaine: Mr. Speaker, after a slip of the tongue earlier, I directed to the Minister of Finance a question I should have put to the Postmaster General. I put it again, this time to the latter, if he is prepared to answer it.

Hon. Azellus Denis (Postmaster General): Mr. Speaker, to answer the question of the hon. member, I must tell him that every suggestion is considered by the present government, even if it originates with the hon. member for Sherbrooke.

(Text):

AGRICULTURE

CHEESE—REPORTED INCREASE IN PRICE FOLLOWING SUBSIDY REDUCTION

On the orders of the day:

Mr. L. E. Cardiff (Huron): I have a question for the Minister of Agriculture. Is it true that exporters had to raise the price of cheese 1 cent per pound to counteract the reduction in the export subsidy imposed by this government? I should like to ask the minister, is there any danger of this change pricing Canada out of the United Kingdom market? Has it been necessary in the past year for the stabilization board to buy cheese for the government? If not, have the government any idea of getting back into the export cheese business as they were 10 or 12 years ago before they completely lost the United Kingdom market and had to give back the control.

Some hon. Members: Order.

Mr. Speaker: What is the hon. member's question, please?

Mr. Cardiff: When you announced that you would maintain the former support level of 32½ cents per pound on cheddar cheese—

Some hon. Members: Order.

Mr. Cardiff: —and the increase from 25 cents to 35 cents per hundredweight on milk for the production of cheese—

Mr. Speaker: Order. I am sorry I must interrupt the hon. member, but would he come to the essential point of his question?

Mr. Cardiff: I am just asking the minister if he failed to announce that the export subsidy on cheddar cheese to the United Kingdom would be reduced by 1 cent per pound. This is a reduction of 9 to 10 cents per hundredweight of milk in the government support price for cheese.

Mr. Pickersgill: I rise on a point of order, Mr. Speaker. I believe it is a well understood rule of the house that there should not be debates or long speeches during the question period.

Mr. Cardiff: Perhaps the hon. member would take notice of that himself when he gets on his feet.

[*Later:*]

Mr. Cardiff: Due to the fact that I did not get answers to any of the questions I put to the Minister of Agriculture, I wonder if the hon. gentleman would allow me to ask the first question again. Incidentally, I gave him notice of this question before I came into the house.

Is it true that exporters had to raise the price of cheese by 1 cent a pound to cover up the reduction in the export subsidy imposed by this government?

Hon. Harry W. Hays (Minister of Agriculture): The answer to the hon. member is no, the market took care of this.

SOUTHWESTERN ONTARIO—HARMFUL EFFECTS OF WEED KILLER

On the orders of the day:

Mr. H. W. Danforth (Kent, Ont.): Mr. Speaker, I would like to direct a question to the Minister of Agriculture. Is the minister aware of the present alarming destruction in some areas of southwestern Ontario, especially Kent county, of valuable cash crops such as sugar beets, attributed to the residual effects of a chemical weed killer under the trade name of atrarine, used extensively as a spray on corn last year? Can he assure the house that his department will launch an immediate investigation while the effects are still visible and, should the findings be in the affirmative, will it take the necessary steps to ensure that all damaging properties of chemicals of this nature be made well known to farmers in order to avoid such crop losses in the future?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, yes, we will.

FINANCE

GOVERNMENT ACTION RESPECTING ALLEGED INCREASE IN CONSUMER CREDIT

On the orders of the day:

Mr. W. H. A. Thomas (Middlesex West): Mr. Speaker, I should like to direct a question to the Minister of Finance. Has the minister noticed recent Canadian Press reports indicating a continuing and expanding increase in the use of consumer credit since 1954? Can the minister say whether this credit expansion is a cause for concern; and is the government considering measures for keeping the situation under control?

Hon. Walter L. Gordon (Minister of Finance): I thank the hon. member for sending me notice of his question. I can assure him that this matter is under continuous study and review by the government.

TAXABILITY OF $500 GRANT FOR WINTER HOUSE CONSTRUCTION

On the orders of the day:

Hon. Walter L. Gordon (Minister of Finance): May I reply to a question that was asked yesterday by the hon. member for Digby-Annapolis-Kings respecting the $500 bonus to be paid to the first purchaser of a new house constructed mainly during the winter period.

A person who purchases the house as a personal residence for himself, where certain situations are not applicable that I will mention in a moment, will receive the $500 payment without income tax consequences. Where the first purchaser or owner rents out the whole or part of the house or otherwise uses it for revenue purposes, the payment of $500 which he is to receive from the government will reduce the capital cost of the house which is the basis for the capital cost allowance which he may claim for income tax purposes. Where the first purchaser or owner of the house is subject to tax as a trader in real estate, he will have to take the payment of $500 into his calculation of the profit or loss on the business.

I am glad I did not answer that question off the cuff yesterday.

[*Later:*]

Mr. Robert Simpson (Churchill): Mr. Speaker, I should like to direct a question to the Minister of National Revenue in relation to the statement made by the Minister of Finance with regard to the $500 bonus for house construction in the winter. Could the minister say whether this bonus will apply to all parts of Canada whether or not the houses are constructed under the N.H.A.?

Hon. J. R. Garland (Minister of National Revenue): Mr. Speaker, I think this is a question that might more properly be directed to the Minister of Labour, because it concerns part of the winter works program on an experimental basis as outlined by the minister yesterday. However, the answer, generally would be yes.

Mr. Simpson: Mr. Speaker, a supplementary question addressed to the Minister of Labour. Would the Minister of Labour then tell me whether this bonus would apply from igloo to igloo?

[*Later:*]

Mr. P. V. Noble (Grey North): Mr. Speaker, I should like to ask the Minister of Labour what would be the minimum value of a home that would qualify for the $500 payment.

Hon. A. J. MacEachen (Minister of Labour): This particular matter will be dealt with by regulation and will be made known as soon as possible.

REPORTED INTENTION TO INCREASE GOLD PRODUCTION SUBSIDY

On the orders of the day:

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I would like to direct a question to the congenial Minister of Mines and Technical Surveys, but in his absence perhaps my question should be directed to the Minister of Finance. In view of the broad hint which the minister of mines is reported to have given to the Quebec metal mining association meeting at the Seignory club that the government may take steps to increase the production subsidy available to gold producers, would the minister tell the house whether in fact a decision has been taken in this regard?

Hon. Walter L. Gordon (Minister of Finance): I know of no such broad hints, Mr. Speaker.

INCOME TAX—REPORTED STATEMENT BY MINISTER

On the orders of the day:

Mr. Raymond Langlois (Megantic): Mr. Speaker, I would like to direct a question to the Minister of Finance regarding an article in this morning's Toronto *Globe and Mail.* It is headed "Just what was said", and deals with a statement made by the minister:

> If we make taxes too burdensome on the very wealthy in an attempt to get more out of them, they may go away and take their wealth with them.

Does that mean that the minister intends to increase the taxes on small wage earners so as to compensate for those he will not tax proportionately to their revenue, in order to maintain a balanced budget?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I think if the hon. member waits until Thursday he will be reassured.

REDUCTION IN TOBACCO TAXES TO STIMULATE SALES

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I would like to address a question to the Minister of Agriculture and I will ask it in French.

(Translation):

In view of the cigar and cigarette tobacco surplus in this country, does the Minister of Agriculture intend to recommend to the Minister of Finance a tax reduction on such tobacco in order to increase sales?

[Mr. Noble.]

(Text):

Reduced taxes on tobacco; are you going to recommend that to the government?

INQUIRY AS TO REPORTED BANK MERGER

On the orders of the day:

Mr. Donald MacInnis (Cape Breton South): I should like to ask the Minister of Finance if he is able to answer a question which I put to him previously. I was wondering whether, since I last asked this question, the minister or his department have received any representations concerning a possible merger between the Bank of Nova Scotia and the Toronto Dominion Bank.

Hon. Walter L. Gordon (Minister of Finance): No, Mr. Speaker.

BROADCASTING

OTTAWA—REFUSAL OF LICENCE FOR FRENCH LANGUAGE STATION

On the orders of the day:

Mr. Remi Paul (Berthier-Maskinonge-Delanaudiere): Mr. Speaker, may I direct a question to the Minister of Transport.

(Translation):

Mr. Speaker, my question is directed to the Minister of Transport. Can the minister confirm that he has advised the board of broadcast governors of his refusal to recommend the granting of a licence to Radio-Prestige for a private French speaking radio station in Ottawa, such a refusal being contrary to the B.B.G.'s decision?

(Text):

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, if the form of the question is as it was translated, it is out of order. I am not sure of the language used in the translation, and for that reason I would prefer to take the question as notice. I could answer it otherwise, but I would prefer that it be taken as notice.

(Translation):

Mr. Paul: A supplementary question, Mr. Speaker. Does the Minister of Transport know that this application for a permit has been warmly supported by one of the most representative organizations of the French minority of Ontario, that is the French Canadian Association of Education of Ontario?

(Text):

Mr. McIlraith: Mr. Speaker, that was an assertion of fact, not a question.

CONTROL OF COMMUNITY ANTENNA SYSTEMS

On the orders of the day:

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

of State a question. In view of the decision of the board of broadcast governors not to make recommendations to the government on the regulation and control of community antenna systems, can the minister tell us whether the government itself is at the present time considering bringing these systems under the control of the board of broadcast governors?

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, the short answer to that question would be no, but I do think the question is a very important one and I have myself been giving some consideration to it with a view to deciding whether or not the appropriate time has yet come for governmental action.

UNITED NATIONS

NUCLEAR TESTING—CANADIAN POSITION RESPECTING ACQUISITION OF WEAPONS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister, notice of which I sent him earlier this afternoon. In view of the hope, cautious but none the less real, that has been engendered by the announcement of test ban talks among the big three, and by President Kennedy's welcome declaration that in the meantime the United States will make no nuclear tests in the atmosphere, will the Prime Minister on behalf of the people of Canada add to mankind's hope for peace on earth by declaring that Canada will refrain from acquiring nuclear weapons while these discussions are in progress, in the hope that the government may yet find it unnecessary to acquire them at all?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I received notice of the hon. gentleman's very important question just a few minutes before I came into the house. In reply I would say, as the Secretary of State for External Affairs said yesterday, that I am sure we all welcome the resumption of talks among the three great powers on a high level for a ban on nuclear testing, talks which have been brought about by the wise and positive initiative of the United Kingdom and United States governments.

Experience has taught us not to expect too much too soon from discussions on this subject, but I know all hon. gentlemen will agree we must hope for good results and do everything we can to achieve them; first the abolition of nuclear testing which is the immediate objective of the talks, and then abolition of nuclear weapons as part of a general disarmament agreement.

It is not inconsistent with this position for us in Canada to put ourselves in a position to discharge the defence pledges we have made for collective security and for our own defence, pending re-examination of defence policy by NATO and by this government, which re-examination could in due course result in changes in Canadian defence policy.

Mr. Knowles: A supplementary question, Mr. Speaker. In view of the hope that has been engendered these last two days in this connection, does the Prime Minister not feel that some additional declaration by Canada at this time would be a real help?

Mr. Pearson: Mr. Speaker, the Canadian government will do nothing to frustrate those hopes.

LIVESTOCK

ALBERTA—MARKETING OF CATTLE BECAUSE OF DROUGHT

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I would like to address a question to the Prime Minister because the subject matter involves more than one department. I wish to ask whether the government will give favourable consideration to some emergency measures if the drought condition in southern Alberta continues to deteriorate, such as making more acres available for grazing within the Suffield experimental station, and things of that nature?

Mr. Speaker: Order. I must interrupt to say the question is hypothetical and, as such, should not be admitted.

[*Later:*]

Mr. Olson: Mr. Speaker, I should like to rephrase my question and address it to the right hon. Prime Minister. May I assure Your Honour that the drought in southern Alberta and southwestern Saskatchewan is not hypothetical but is very real and is there now. I address my question to the Prime Minister—and I wrote to him about it yesterday—because it involves more than one department and we are told this is the proper way to do it.

Is the government giving consideration to taking some emergency measures to deal with this situation so there will not be a panic sell-off of cattle, breeding stock, and so on, that would crack the market structure and the prices realized by the cattle industry in western Canada.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I can assure the hon. member that the government will be glad to give consideration to the situation he mentions.

When I have had an opportunity to read his letter, which I have not yet had, I will be glad to reply to it.

HIGHWAYS

INQUIRY AS TO CONVERSATIONS WITH PROVINCIAL AUTHORITIES

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I would like to ask the Minister of Public Works what progress he is making in his conversations with provincial highway authorities and, while he is telling us about the progress, he might tell us why he is having these talks?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, some time ago I had a meeting with both the minister of roads and the minister of public works of the province of Quebec, and although this was an informal meeting I was asked to consider a change under the Trans-Canada Highway Act so as to give approval to the construction of an expressway along the river, as well as a tunnel and a bridge across the St. Lawrence river. In a very short time some officials of my department will meet with officials of the Quebec government, and thereafter we will be in a position to reach a decision.

Mr. Fisher: As a supplementary question, could the minister make it very clear that he is not planning to hold talks with all the provincial highway authorities, as has been the gist of some of the reports of this meeting?

Mr. Deschatelets: Well, Mr. Speaker, this is a decision that will be reached in due time.

PUBLIC SERVICE

INQUIRY AS TO SALARY INCREASES FOR CERTAIN CLASSES

On the orders of the day:

Mr. Donald MacInnis (Cape Breton South): Mr. Speaker, I would like to direct a question to the Minister of Finance. In the matter of pay increases for civil servants, group D, does the minister intend to follow the recommendations of the civil service commission?

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I do not think I have anything more to add to this question than what I said the other day about the whole subject of pay increases for the civil service.

Mr. Stanley Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Does the minister still intend to meet with representatives of civil service organizations to discuss this matter on Friday of this week?

[Mr. Pearson.]

Mr. Gordon: As soon as the budget is disposed of, which will be on Thursday the 13th, I propose to meet with them, and I am planning to do so on Friday.

LABOUR CONDITIONS

GREAT LAKES—DELAY IN LOADING CANADIAN SHIP AT CHICAGO

On the orders of the day:

Mr. A. D. Hales (Wellington South): Mr. Speaker, I wish to direct a question to the Minister of Labour, of which I have given notice. Would the minister inform the house whether the Canadian grain ship, the *Howard L. Shaw*, recently boycotted at Chicago, has been loaded and released to its Canadian owners?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I thank the hon. member for giving me notice of this question. The final argument in the court case introduced by the national labour relations board against the I.L.A. and the S.I.U., involving a secondary boycott of the *Howard L. Shaw*, is being heard today in Chicago. During a preliminary hearing last week the court imposed a fine of $1,000 on the local union for its failure to respect the temporary restraining order that had previously been put into effect. The final disposition of the court case is expected very soon, possibly today. In the meantime this particular ship has not been loaded, but it is still in the hands of its Canadian owners.

Mr. Hales: As a supplementary question, would the minister use his office to do everything within his power to see this ship is released?

Mr. MacEachen: Mr. Speaker, we have been in very close touch with the officials of the United States government, especially the secretary of labour, and both the Department of Labour and the Department of Justice have been very active in the courts in Chicago in support of the interests of this particular ship. They have exercised their offices in a helpful way through the courts, and we certainly intend to proceed along these lines.

TRANSPORT

P.E.I. CAUSEWAY—CONSIDERATION OF COMBINED PROJECT

On the orders of the day:

Mr. Heath Macquarrie (Queens): Mr. Speaker, I have a question for the Minister of Public Works prompted by an item in the Summerside *Journal* of June 7 from its

Ottawa correspondent, concerning the Prince Edward Island causeway. Is the minister's department now considering a combined tunnel-causeway project and, if so, could he estimate how much delay this is likely to cause in the actual construction of the project?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, I certainly cannot answer the last part of the question, but I can say to the hon. member that this project is still under consideration.

NORTHERN AFFAIRS

DAWSON CITY FESTIVAL—REQUEST FOR INFORMATION ON REVENUES EARNED

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, my question is prompted by the answer the Minister of Northern Affairs and National Resources gave to a question asked by the hon. member for Burnaby-Richmond last Friday. I know the minister would not want to be misleading or inaccurate in the information he gives to the house, and that is why I ask the question now.

Will the minister please direct his officials to supply him with details of the hundreds of thousands of dollars in tourist and other revenues earned by the federal and territorial governments as a direct and indirect result of the Dawson city festival, and furnish this information to the house so that all the facts are made known to parliament, so disclosing the fact that, far from being a liability, the festival was a positive success?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, I have no intention of making a speech on this subject. The matter I was dealing with at that time concerned the financial position of the federal government in regard to the festival, and was not related to the income that might or might not have been derived from the tourist trade. We are deriving a great deal of income from the tourist trade, from a variety of sources, but that had no relation to the matter I was discussing then.

Mr. Nielsen: I have a supplementary question, Mr. Speaker. Does the minister not believe that the revenue earned by the Dawson city festival has some relation to the investment made by the federal and territorial governments in this venture?

Mr. Speaker: Order. I am sorry to interrupt the hon. member, but his supplementary question is in the nature of argument.

NATIONAL PARKS

WOOD BUFFALO—NEGOTIATIONS RESPECTING CHANGE OF BOUNDARIES

On the orders of the day:

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, I should like to reply to the question asked by the hon. member for Peace River last Thursday, in which he asked whether there would be referred to parliament any decision regarding an intention to reduce the size of Wood Buffalo park. I am able to tell him now that this would involve an amendment to part 1, section 5 of the schedule of the National Parks Act and would therefore, of course, come before the house.

TRADE

LEAD AND ZINC—U.S. REPRESENTATIONS RESPECTING PRODUCTION

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to direct a question to the Minister of Trade and Commerce. I apologize for not sending him notice, but my office staff has been overworked owing to the fan mail I am receiving on the Columbia river issue. Can the minister inform the house whether he has received representations from any agency of the United States government urging the necessity from the United States point of view of a reduction in the production of lead and zinc in Canada.

Hon. Mitchell Sharp (Minister of Trade and Commerce): No, Mr. Speaker, I have not received such representations since I took office.

PENSIONS

QUEBEC—REPORTED LEGISLATION RESPECTING PORTABLE PENSIONS

On the orders of the day:

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, I have a question for the Prime Minister. I wonder whether the Prime Minister's attention has been drawn to an item in today's Montreal *Gazette* to the effect that the Quebec government intends to present legislation on portable pension funds, that the central government must know of this intention and that the field is virtually occupied. Will this change the federal government's intentions in regard to portable pension legislation?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, my attention has not been drawn to that article.

Mr. Fairweather: A supplementary question, Mr. Speaker. I wonder whether the Prime Minister would answer the second part of the question. Proceeding on the assumption

that the information is correct, would this change the federal government's intentions in the portable pension field?

Mr. Pearson: Mr. Speaker, in view of the fact that my hon. friend has based his question on an article in the press, I think he should give me the opportunity to read the article before I reply to his question.

MUNICIPAL DEVELOPMENT AND LOAN BOARD

PROVISION FOR FINANCIAL ASSISTANCE TO MUNICIPALITIES

Hon. Walter L. Gordon (Minister of Finance) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to promote increased employment in Canada by the provision of financial assistance by way of loans to municipalities, the object of such loans being to enable municipalities to augment or accelerate their capital works program subject to the approval of the provinces concerned; and for this purpose to provide a special fund in the consolidated revenue fund not exceeding four hundred million dollars to be available for the making of loans to municipalities and certain other municipal authorities for specific municipal capital works projects; to establish a municipal development and loan board to administer the fund so provided; to authorize the acceptance of municipal debentures for any loans so made; to authorize a measure of forgiveness in respect of any loans so made, depending upon the date of completion of the projects for which such loans are made; and to provide further for other related and incidental matters.

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

Mr. Gordon: It is with considerable pleasure that I rise to move the resolution concerning the municipal development and loan act. I should like to make a brief statement at this time and give a broad outline of the provisions of the proposed legislation. Members of this committee are aware of this government's determination to do everything possible to combat serious unemployment in this country. One of the constructive ways in which this can be done is by assisting municipalities to proceed with needed capital works, many of which have been long deferred, and to help them expand and accelerate current programs.

Over the past five years, as has already been stated, an annual average of 6.6 per cent of our working force has been unemployed. This meant that on the average 425 thousand Canadians were without work during each of those years. At the same time countless essential municipal works were crying out to be undertaken. These are works which could offer employment to thousands of our citizens while benefiting hundreds of thousands with permanent community facilities. It is this situation that the municipal development and loan act is designed to meet.

In essence, the proposed act seeks to increase employment by the creation of new jobs in the construction industry engaged in municipal capital projects. The construction industry in Canada is particularly suited to employing large numbers of persons who currently make up the ranks of our unemployed. Many without work today have relatively few skills. Some of these are Canadians born from farms who have moved into urban communities. Many are newcomers to Canada facing difficulty in establishing their families here. Others, again, need work for short periods of time, particularly during the winter months when the construction industry could operate at higher capacity if the demand for buildings and capital facilities were expanded and maintained throughout the year.

As I have indicated, one of the primary purposes of the proposed bill is to help expand the construction of basic community facilities in order to increase employment. The effectiveness of this program should be increased materially by virtue of the fact that most municipalities from one end of the country to the other have developmental projects which they could bring forward provided financial assistance is made available. Thus the employment effects should be as widespread as it is possible to ensure. Moreover, it should be possible, and it is the government's hope that it does prove possible, to get on with many projects during the coming winter months.

As indicated in the resolution, the bill will provide loans to municipalities by the federal government up to an authorized limit of $400 million. Loans under this program will be available for a period of nearly three years ending March 31, 1966. The bill will provide further that one quarter of the amount of each loan may be forgiven on work on eligible projects completed on or before March 31, 1966.

Forgiveness of a significant portion of each loan is, of course, not only an incentive to municipalities to proceed quickly with eligible projects. It is equally important in helping to hold down the size and burden of long term debt and to lower the carrying charges on the net balance of the loan.

Loans under the bill will be extended only with the express approval of the provincial authorities. Speaking in Toronto on May 29 to the federation of mayors and municipalities, the Prime Minister emphasized that financial assistance will be given in ways which fully

observe both the spirit and letter of the constitution. The bill we propose to introduce fulfils that undertaking. It provides that loans may be made only after a municipality has secured explicit provincial approval for eligible projects and for related borrowing by way of debentures. The operating procedures proposed are equally consistent, we believe, with full respect for the constitution which places the municipalities under the sole and exclusive jurisdiction of the provinces.

The intent of the proposed legislation is that loans will be available to assist financing of important and useful projects when they represent additions to, or acceleration of, capital programs which municipalities would otherwise have carried out. It is not the purpose of the federal government to act as a lender of last resort to the municipalities. The primary intention of this bill is to provide the maximum number of new jobs in this area over a relatively short time.

Municipal projects eligible for financing through these loans will be limited to the kinds of capital works listed in the bill. These capital works cover the main facilities and services of a municipality. The list is limited to avoid overlapping with other programs, such as assistance to sewer construction already provided through Central Mortgage and Housing Corporation, or existing federal grants for hospital construction. It is limited also to avoid infringing the exclusive provincial jurisdiction over education. However, the eligible list will enable approximately one half of the capital expenditures for which municipalities normally borrow to qualify under the bill.

Loans will cover two thirds of the approved cost of eligible projects. The rate of interest will be based on the government's own long term borrowing rate, and it will thus be considerably lower than the rate at which most municipalities themselves could borrow. At the same time the real cost to municipalities of funds advanced under the bill will be reduced to a very low level by the forgiveness feature it contains.

It is expected that the proposed authorization of $400 million will meet the potential demand for loans for additional projects of an eligible kind. When it is considered that loans are applied to two thirds of project cost, it is evident that if full use is made of the program $400 million in loans will provide the base for a minimum of $600 million of additional projects over the period of the program. This would represent an increase of nearly 50 per cent in the capital expenditures by municipalities on projects eligible for loans. It would represent an increase of nearly 25 per cent in over-all capital spending by municipalities during the loan period.

The achievement of a program of this magnitude, based on loans totalling $400 million by the federal government, will make a major contribution to new employment, and at the same time will result in a marked increase in community facilities. The administration of the new program will be carried out by a loan board working in the closest collaboration with Central Mortgage and Housing Corporation, whose activities place it in close touch with municipalities and their problems.

The bill provides that a service agreement may be arranged between the new loan board and Central Mortgage and Housing Corporation whereby the latter will use its facilities, field offices and personnel to assist the board with the loan program. This will enable the board to start its operations quickly and at the same time avoid building up a new organization which would duplicate many of the services already available through C.M.H.C. While it is contemplated that C.M.H.C. will provide many of the administrative services under the act, the prime initiative for developing the loan program will remain with the loan board. The responsibility for decisions with respect to loans and for the administration of the act will rest with the board. The board itself will report to my colleague the Minister of National Revenue, who is the minister responsible for the operations of Central Mortgage and Housing Corporation.

The new program will be in addition to the various ways in which the government is already assisting, or planning to assist, the municipalities. As the hon. member for Winnipeg North Centre mentioned yesterday, I think it was, when talking about the winter works program, this program, to use his phrase, will be dovetailed with the other programs designed to create work throughout the country through the winter months and throughout the year. This program will not displace existing programs. In fact it will serve to reinforce them by increasing the financial resources for municipal capital investment.

Mr. Chairman, I am looking forward to giving a fuller explanation of the provisions of the bill at the appropriate stage of its consideration by the house. I trust this consideration will make clear to hon. members of the committee and to the country the material contribution which the proposed loan program can make to the solution of our unemployment problem. This is a matter of great concern to all hon. members, and I ask for their co-operation in expediting the passage of the proposed legislation so that it may begin to be effective during the coming winter.

Mr. Martineau: Mr. Chairman, might I ask the minister whether he is in a position to tell the committee what is meant by the expression "other municipal authorities" as expressed in the resolution?

Mr. Gordon: That phrase is, I think, defined in the bill. It was included so that no authority would be left out in areas where municipalities as such are not established.

Mr. Aiken: Mr. Chairman, might I ask a further question of the minister. What is the basis for the selection of the type of works that will be authorized? Is there any particular basis on which the selection has been made?

Mr. Gordon: They are intended to include the main works which a municipality normally carries out and borrows for, with the exception of the items I mentioned in my explanation; hospitals, for one thing, sewers for another, and also schools. They are the main ones.

Mr. Diefenbaker: Mr. Chairman—

Mr. Barnett: Mr. Chairman, I wonder whether the Leader of the Opposition would mind allowing me one question. I understood the minister to make some reference to the fact that the proposals in this bill would dovetail with the winter works incentive program. I am not clear, and I wonder if the minister could make it clear, whether projects which are undertaken and financed by loans under this program will qualify under the winter works program.

Mr. Gordon: I did not mean that by saying they would dovetail. I really meant that the winter works program and this program will be administered in such a way that they will not be overlapping.

Mr. Smith: Do the grants qualify for both programs? That is the point.

Mr. Diefenbaker: Mr. Chairman, at this time I intend to refer generally to some of the matters to which reference has been made by the Minister of Finance. He has chosen to refer in some detail to the provisions of the bill which will be introduced. That, of course, should not be done in discussion of a resolution, because the bill is not before the committee and no reference regarding its particulars should be made.

However, I would say immediately that this plan will be examined with care and attention on the part of the opposition. It is going to bring about the expenditure, in a period of three years, of some $400 million. We have had no indication where that money is coming from or how it is going to be procured. Many of these things, of course, will be made clear when the budget is introduced on Thursday night.

However, I should have thought the minister would have been able to give us some of his views on the question of finance in connection with this matter, views which were, to say the least, considered unorthodox by most members of the house but which received the support of the 16 other hon. gentlemen opposite who today occupy the treasury benches. You will recall, sir, that on November 6, 1962, all Liberal members in the house voted in favour of the amendment introduced by the hon. member for Red Deer, which provided that there should be adopted—I am summarizing—a policy of debt free money. This motion received the support of the present Minister of Finance and, as I said a moment ago, of a host of others who today occupy the seats of government.

What has taken place in the interim? Do they still believe in this principle which they supported then? Did they become converts to the ideas of Social Credit for only two days? These are things I should like the Minister of Finance to explain in order that I may find out when his troubled mind became clear following the writing of "Troubled Canada". Is this, then the means of financing this proposal? We ought to know something about that. I am sure the minister, with his accustomed frankness, will either say that he approved of this unorthodox amendment moved by the leader of the Social Credit party on the basis of political expedience at the time or that, in truth, he had accepted holus-bolus the financial implications of it which are far removed from the background and associations of the hon. gentleman.

I was interested in the speech delivered in Toronto by the Prime Minister when he addressed the Canadian association of mayors and municipalities. At that time he led those representatives to believe, although I am sure it was unintentional, that all kinds and varieties of public institutions could be built by them with these loans, that the sluice gates of credit were being opened to them. These people were led to believe that the policies of the Minister of Finance would make ample credit facilities available, would make interest rates as low as possible, to use words which he used just prior to the election, and that these policies would be carried into effect. Well, the association of mayors certainly approved of what they heard, because they thought vast sums of money were going to be made available to them in the manner requested over a period of years.

I think I could do no better than refer to the brief that was presented by the

municipal governments of Canada, the Canadian Federation of Mayors and Municipalities, to the government of which I had the honour to be the head on November 9, 1962. The item to which I shall refer in the brief is under the heading "National monetary loan fund". The federation has recommended the establishment of a municipal loan fund or a municipal development bank. Then I note that the brief refers to the fact that this would help each urban area undertake planned development programs which would not only provide work but would direct such work to the satisfaction of basic community needs.

The principle of the municipal loan fund is already recognized by the federal government in the legislation which authorizes long term financing of trunk sewers and sewage treatment plants. In effect, the federation is urging that federal loans should also be made available for other basic community facilities, for example for urban roads, bridges and mass transit facilities, for the acquisition of property for redevelopment, for water supply and for the purchase of recreation space.

I can only infer, after having listened to the minister, that what the municipalities asked for they are not going to get. The brief called attention to the basic need for long term federal loans on favourable rates of interest in order to finance projects which are primarily self-liquidating and essential to community development, such as urban roads, bridges, transit facilities, sewers, water supply, recreation, land for development, grants on a more adequate scale toward the cost of hospitals, schools, and other community services which are essential but are non-self liquidating.

During the course of the campaign the minister himself made many promises in this connection. He enunciated an eight point program which it is very interesting to read again. First he refers to the need for easy money, ample credit facilities, low interest rates, low interest loans to municipalities for needed public works and services to stimulate the construction industry; low cost loans for municipal public works; low interest loans to create jobs by enabling municipalities to build schools and hospitals, rebuild streets and sidewalks, clear slums, improve transit systems and undertake urban renewal projects. Over and over again he set out this national program. Until we see the bill we will not be able to ascertain the extent to which the promises of a few months ago have been translated into the performance of today.

The general plan of the municipalities was suggested by Mayor Mongrain of Three Rivers. He set out in detail their demands and their requirements. Now, to begin with, we recognized when we were in office that there were certain fields of national development that would welcome the assistance of the federal government, such as housing, a national problem, and the problem of pollution which is becoming increasingly serious. Indeed, unless we take more and more effective action it will not be long before our vast water resources are poisoned by reason of the pouring in of sewage and industrial wastes resulting in a loss to this and future generations.

There can be no question that many of the matters covered by the hon. gentleman come within the jurisdiction of the provinces. I hear much about what this government intends to do in connection with the constitution. I read that Mr. Lesage, the premier of Quebec, has presented the government of Canada with an ultimatum, an ultimatum so-called by one of his ministers, which is apparently designed to assure that the rights of the provinces shall be respected and maintained. Mr. Gerin-Lajoie, speaking in the latter part of the month of May, predicted an early end to certain joint programs through federal government withdrawal. I want to know what those fields are. Is one of them the winter works program which was laughed at when first introduced but which has provided many jobs for Canadians in every part of Canada?

Why introduce this measure at this time, before the budget? Why the introduction in haphazard form of these various suggestions? Let us see the whole picture rather than having matters presented in a haphazard, piecemeal manner. The Prime Minister today, in purple faced annoyance and rage at a question I asked him regarding the convening of a conference with the provinces, finally answered, after being pressed to do so, that a conference was going to take place. I can understand his annoyance because he is having plenty of trouble with his major supporter, the premier of the province of Quebec. That premier has decided what shall be done by this government and this government has to be very careful that it does not transgress in any way the ultimata that emerge from the legislative buildings in Quebec.

The maintenance of the constitution has always been of the essence of Conservative policy. We have followed that throughout the years. Why has this legislation not been submitted to the provinces? Why has such legislation in general not been placed before the provinces to get their views? Certainly I think that is a very proper question. The provinces are not going to be denied the right to say which projects shall in fact be acceptable. Every project that a municipality

desires to place before the government will have to have the approval of the province within which that project is located.

I say that in view of the changes inherent in this legislation there should be a federal-provincial meeting to review all aspects of municipal finance. In addition there should be an opportunity for the municipalities to have representation thereat. Here we are rushing to give legislative effect to a measure that, to say the least, has not been very carefully considered. We had an example of that yesterday when, with fife and drum, an announcement was made of new legislation by the Minister of Labour. A $500 bonus was held out. Talk about the carrot. What an attractive thing that was.

When the Minister of Finance was asked yesterday whether the $500 would be taxable he gave every appearance of never having heard anything about this matter until it was announced by the Minister of Labour. But today he was able to give the answer that the government has decided it will not be subject to income tax except within certain limitations. When was that decision made? Was it made since the question was asked yesterday? Was it part of the regulations which were referred to today by the Minister of Labour as yet to be prepared? Was the answer of the Minister of Finance yesterday indicative of the fact that what the government is doing in these shifty days of decision is bringing in legislation without knowing the consequences and without at the same time having received the co-operative support of the provinces who deserve every consideration in this regard, for the municipalities are the creations of the provinces?

Mr. Grafftey: Arrogant centralizers.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: I ask, what is going to be done in this connection? Is the government going to pass legislation, defy the rights of the provinces by passing it, and then come to a conference later this fall on a date as yet undetermined and say "Here is your bill of fare; it has passed the parliament of Canada". That certainly represents a new phase in dominion-provincial relations, a new phase that carries one back to seven years ago when the attitude of the former Liberal government was to introduce legislative enactments or make determinations regarding fiscal relations, and having done so then to place those legislative enactments or fiscal arrangements before these conferences for approval.

We say first and foremost that this matter, being almost exclusively within the jurisdiction of the provinces, should be submitted to the provincial governments to secure their views thereon before legislation is enacted by parliament. During the period that we were in office we made a great deal of money available to the provinces over and above what they had previously been receiving. The amount of the increase in federal payments was some $850 million, and it is of interest that during the same period of time approximately an equal amount was advanced by the provinces to the municipalities, their creatures, for their assistance.

Next I would point out there is already legislation on the statute books so far as self-liquidating improvements are concerned. I venture to suggest that the minister has not studied it. If he has, I ask him now to tell me why the legislation which exists, and has existed for 35 years, is not being used? It is very apparent from his look that he is troubled. It is very apparent that he has not read the statute, so I bring it to his attention, the Municipal Improvements Assistance Act of 1938, covering self-liquidating projects which—

> —when completed will on the basis of conservative estimates result in an increase in the annual net revenue of the municipality.

That provided for some $30 million being made available, and also provided for a rate of interest at 2 per cent per annum. As I say, that legislation is on the statute books, and so far as I am concerned I know of no examples in recent years where it has been used in any way, if ever used at all.

Sir, I ask the minister specifically, has this legislation and this plan in general been cleared with the provinces?

The municipalities are asking for money and they point out that unless they receive assistance it will be impossible for them to carry on. More and more we are coming to the point where each level of government lower than the federal government endeavours to secure as much as possible from the federal authorities so that it will not, in its own economy, have to raise its own taxes to meet its own requirements.

I further ask the minister how many jobs will this provide? I know what the estimate is, but according to my reading public works have been ineffective as a means of meeting unemployment on any economical basis or standard, the cost is too great, and they do not provide jobs. Public works plans do not generally provide the jobs that many felt they would before the system was first adopted.

The Prime Minister is reported in the Toronto *Telegram* to have stated that a municipal development loan fund would be set

up, and during the election campaign municipalities believed there would be no strings attached to it. They believed they were going to be able to borrow on the basis of the undertakings which the Prime Minister gave, and that they would be able to borrow for their everyday needs. But, sir, what is to be the position today?

If a municipality decides it wishes to procure assistance from the federal government it places a project before the provincial government, and the province determines whether or not the project is one to which consideration should be given. If the province recommends it, then the federal government determines whether or not it should be proceeded with, again setting up another board for the purpose of administering this legislation.

Why is it not done through the regular housing facilities administered by the genial Minister of National Revenue? Why should there be another board? Only the other day the Quebec *Chronicle-Telegraph* which certainly is not unfriendly to the government, stated in its issue of June 5:

> The record from 1935 to 1957 suggests that Liberal administrations in that period were unable to recognize when enough—

—that is, enough government intervention—

> —was enough. We have seen government multiply, private initiative discouraged. If this municipal aid bill is typical of the legislation that the new regime has in mind, we seem to be heading into a new period when personal freedoms become hedged about by government interventions. This does not loom as a happy prospect for Canada.

When the Prime Minister spoke in Toronto he said, in effect, come one and all and share in the manna that this government will provide. He told them to get their recommendations ready and that his government would be as anxious as they were that the projects should move off smoothly if parliament gave the green light—come one come all, join in the opportunity to share in the beneficence of the government. Now we find it is not going to be quite as welcome as that.

The municipalities believed that this would provide them with money for any purpose; but now it has been made very clear it is only additional municipal investment in projects that are important and useful but which would otherwise not be undertaken in the next two or three years because of their financial burden. Who is going to determine these projects that would not be proceeded with for two or three years? In the distribution of this $400 million every care will have to be exercised to assure that political considerations will not be the pre-eminent reason for the granting of the loans.

Who is going to divide the fund? Already we have two large cities that would like to have subways. One subway would cost $40 million and the other more than that. What about the small municipalities? What share will they get if the larger municipalities receive the kind of consideration that is already being sought? There will be little left over, except crumbs, for the smaller municipalities across the country.

A few moments ago I referred to the 1938 statute, and there was a basis provided in it in section 6 (2):

> The aggregate principle amount of loans made under this act to any one municipality shall not exceed that proportion of the sum of thirty million dollars which the population of the municipality bears to the total population of Canada on the basis of population figures shown by the census of 1931.

—subject to a provision. Such a section today would not meet the situation because, since 1938, there has been a vast increase in urbanization and a vast decrease in the numbers residing in the smaller municipalities.

What would be the alternative to that presented by the government? That alternative was set out by the former government, and I am going to refer to it now and once more enunciate it as the policy of this party.

I have already stated that we took action to meet the national requirements of an anti-pollution policy, to meet the national requirements in expanding grants to universities and housing. We made it part and parcel of a national development policy. Under that national development policy, in so far as it concerned those parts of Canada other than urban areas, we provided the roads to resources development, the technical and vocational training plan—which applied to both fields—the agricultural rehabilitation and development program and the national oil policy. These were all part and parcel of a national policy. As far as the urban municipalities were concerned, we placed before the people our views in that connection.

Those views can be generally summed up in this way, and I will do so very briefly. Various municipalities had made representations to the then government that they wished to undertake programs of slum clearance and urban renewal but were unable to do so, although the federal government stood willing to bear 50 per cent of the costs. They reported that because of the many other services that they must provide to their citizens, they were unable to finance the other 50 per cent of the costs of urban renewal projects. We still believed this to be a good policy, and to encourage municipalities to take the initiative we had two amendments ready for the National Housing Act. One of these would

have authorized the federal government to make loans to cities and towns covering the 50 per cent municipal share of the costs of urban redevelopment projects. The federal government would then have been bearing 100 per cent of the initial costs of eradicating urban blight. That is a major cause of national concern today and it will become greater with the passing years. Under this plan we believed that the federal government should bear 100 per cent of the initial costs of eradicating urban blight. This program would have enabled the municipalities to pay their share by instalments over a period of years, with a modest interest rate. The other amendment that we wished to bring before parliament—and we still believe it is important—was to extend the 50 per cent federal share to cover half the costs of the new services and utilities that would be required after redevelopment areas had been acquired and the old buildings demolished. This would include traffic arteries and the like.

Furthermore, we believe that action must be taken in the field of the new suburbs of our cities. Since the war most suburbs have grown as groups of subdivisions. After the community had been established shops were built, and then those wishing to build schools, churches, entertainment facilities and other institutions had to scramble in order to find land that was left over. As a result, most of the new suburbs across Canada have been formless and their community facilities have been dispersed in a haphazard way; in other words, in a suburban sprawl. Sir, I believe that the suburbs would greatly benefit if schools, churches, city halls, community centres, recreation facilities and shops formed a focal centre for the suburban community as a whole. I believe that under appropriate arrangements with the provinces, following consultation and acceptance of this program, the municipalities could be helped to consolidate their public land uses. Loans could be made available by the federal government to municipalities to provide for the purchase and preparation of land for suburban town centres in advance of new city growth. To take this course would be to hold intact the land for the use and maintenance of purposes for which those areas would be set up.

We believe that the federal-provincial partnership should be broadened to permit of the acquisition and conversion of existing housing for public housing purposes. Furthermore—and this is all part and parcel of the same picture—we believe there should be a new public housing plan whereby municipalities and provincial governments would be able to obtain 90 per cent loans from C.M.H.C. for the construction or acquisition of public housing projects for low income families. These are but a few of the matters that would represent a properly planned urban development program, one not arrived at as a result of a few persons sitting down together and determining the course but as a result of consultation with the provinces and, if necessary, with the municipalities themselves

Sir, we intend during the course of the discussion on the resolution to place our views before the committee. Various hon. members will be asking questions to elucidate the degree to which the constitutional rights of this country are being followed or departed from. I said when I began my remarks that we do not want to see so important a policy as this put forth in a piecemeal fashion. We want to see the overall approach. Before we determine our course in this connection we want to see the budget. Where is the money coming from? What are the plans? What of the hopes expressed of an early balanced budget in the face of a multiplicity of potential expenditures already promised, and in embryo form in other cases? Certainly we are flattered by the fact that after all the arguments that were put forward as to the terrible financial condition of our country and its economy, the very first thing the Minister of Finance does is bring before parliament a bill to set aside $400 million for loans to municipalities. That is a very good answer to the gloom and doom which we heard for so long from those opposite.

These general representations are put forward on two grounds. First, why have the provinces not been consulted? Is it the intention of the government to get this legislation through and then say to the provinces, "This is a cut and dried plan"? I do not think Premier Lesage will like an ultimatum of that kind from the federal government.

Next, what means will the government employ to raise the money? Was this conversion in November to debt free money an actual conversion? If so, do hon. gentlemen opposite intend to join with their allies in the Social Credit party in giving to Canada an example of the kind of thing for which they voted on November 6 last?

(Translation):

Mr. Gregoire: Mr. Chairman, I am willing to admit that the Liberals are not the only ones to take into consideration some of the Social Credit ideas. The Conservatives do so too because we just heard the Leader of the Opposition (Mr. Diefenbaker) read almost word for word the speech made by the member for Fraser Valley (Mr. Patterson) in this house on May 24, 1963, as evidenced by page 257 of *Hansard*; while speaking precisely about the Municipal Improvements

Assistance Act, of 1938, the hon. member mentioned that that legislation had been in force for two years but had become inoperative in 1940, when loans had ceased to be granted.

So, as you can see, the Leader of the Opposition himself is interested in the speeches and ideas of the Social Crediters since he saw fit to mention a part of them in his recent speech.

If there is one thing that the Leader of the Opposition should not forget, it is that if he had started before today to put into practice some of the sound, sensible and reasonable ideas that the Social Crediters have been putting forward for many years, he might not sit today where he is but he might still sit on the other side in the house. But it took him such a long time to understand or rather to misunderstand that he had scarcely been five years in power when the opposition parties succeeded in persuading the people that the government had neither fulfilled their promises nor accomplished what was expected of them while they were in power. And the people took it upon themselves to remind him of it, precisely because he had refused to accept as his own some of the sensible and logical ideas of Social Credit. Thus he was sent back into opposition by the people and there he will remain for many years to come if not forever.

For my part, Mr. Chairman, I must say that we are ready to accept this resolution we are discussing now, in the broad outline that has been given and although we were not given the details that we would like to have.

As a matter of fact, Social Crediters have been asking since 1935 that loans be granted to municipalities by the Bank of Canada.

More than ten years ago, the province of Alberta started granting loans to municipalities of that province at interest rates of 2¼, 2½ and 3 per cent.

At our national convention in July 1961, when Social Crediters laid down their policies and their program, an item of that program suggested precisely that the Bank of Canada should grant loans without interest to municipalities.

During the last session, in 1962, the leader of the New Democratic party, the first to be won over to such an idea, advocated the granting of loans to municipalities by the federal government. He did not mention the Bank of Canada, however, but he felt that those loans could be made available through the constant running into debt of the federal government. This is something we could not accept: the running into debt of a government in order to make loans available to municipalities.

Today, at last, the Liberals are ready to accept that idea. It was just as good 25 years ago, Mr. Chairman. It was just as good 15 and 10 years ago, but today after having heard it stated and explained from every angle, we note that the Minister of Finance in the present government (Mr. Gordon) has deemed it advisable to put it into practice. We do not know much about the details, but just the same, we have a few suggestions to make and we hope that when the bill is introduced in this house, some of those particulars will be included in the bill.

The first point and the most important is this. The Leader of the Opposition said a moment ago: Where will the money come from to lend those $400 million to the municipalities? Where will those $400 million come from? We Social Crediters say: From the Bank of Canada. Why the Bank of Canada? Precisely because the Bank of Canada was set up to meet not only an ever growing development but also the needs of municipal and provincial governments as well as those of the Canadian people as a whole. The Bank of Canada could finance those $400 million at administrative cost. Being an excellent accountant, the Minister of Finance will realize that this is no inflationary policy for this country. Any accountant who does a company's bookkeeping uses the double entry system, with all the assets in one column and the liabilities in the other.

When the Bank of Canada creates the required credit, it will be added to the accruing assets of this country.

Supposing, for instance, that the Bank of Canada loans an amount to the city of Montreal to finance the building of a subway about which there has been so much talk for so many years; whenever a new section is built, it will mean a new asset on the credit side of this country, if the Bank of Canada grants new credit to balance the added assets, we will only have some sound accounting, as any good accountant will appreciate. Then, the Minister of Finance will not be able to criticize what we are claiming today.

Whenever new assets are added to a country's credit, whether it be a subway, bridges, schools, municipal filtration plants, etc., the Bank of Canada should create new credit as those assets are developed. It is a normal thing, because the municipalities are in return asked to repay the loans as the

municipal buildings depreciate. For instance if a subway is supposed to last 100 years and costs $200 million, $2 million a year should be asked, and, in a hundred years, when it is completely depreciated, and it is time to rebuild it, the subway will be completely paid for.

Such a system means that, as new riches are added to the country's assets, by erecting new buildings, or building new municipal roads, the Bank of Canada should put out new credit, and as everything depreciates, the bank will ask for reimbursement, which means that, at any time, circulating credit is about the same, neither larger nor smaller, but equal to the country's wealth, that is to the social capital of the country, to be written on the credit side of the municipalities and provinces.

That, Mr. Chairman, is the first suggestion. That, Mr. Chairman, was the first suggestion we made to the Minister of Finance. He should finance those $400 million through the Bank of Canada and then we would not have any misgivings about the centralizing or autonomist ideas of this government, because then the Bank of Canada would become the organization charged with community development financing, not the federal government. It would be the Bank of Canada which in fact would be also the federal government bank as much as the provincial government bank, but above all the bank of the Canadian people, since it would not be only the creature of the federal government but above all of the public bodies and all the government organizations both federal and provincial.

Then nobody would be able to blame the federal government for interfering because it would not be the federal government who would enter the field of municipal development, but it would be the Bank of Canada which would grant assistance to the provinces in order that they be in a position to pass that assistance on to the municipalities.

Mr. Chairman, it would certainly help remedy unemployment if the Bank of Canada created new credit. A moment ago I heard the minister when he said that one of the purposes of this bill was to fight unemployment. Now, this new fund will assist the municipalities to carry out capital projects which would create new jobs. This is how we could check unemployment, because this would not be a creation of new jobs to increase production of goods but it would rather be new jobs in the field of public works which would contribute to increase the wealth of this country and the wealth that would not be saleable in an immediate or far-off future, but public wealth.

Every time we increase our public works, we increase the people's wealth, and in return we give jobs to men in this field, men who automatically with the salary they receive and the money they spend help to create purchasing power which in turn is capable of helping private industry which has a responsibility to produce for the people.

In my opinion, Mr. Chairman, that is the best way to deal with unemployment. Each time those men are put to work on public projects, in a given sector, they get purchasing power which helps create more purchasing power—that is for workers in industry or the services—power to consume what industry can produce with a small percentage of workers.

Mr. Chairman, there is another thing we must ask ourselves about that measure. What interest will the municipalities have to pay? If they are asked to pay a rather high rate of interest, say from 5 to 5¼ per cent, their yearly budget will again be burdened with another increase in debt charges. Now we find that today there are, in this country, a large number of municipalities, if not the majority of them, which have to spend 25, 30, 35 or even 45 per cent of their budgets on debt charges alone.

When that money is placed at their disposal through the Bank of Canada, the Bank of Canada will be able to lend it at administration cost, that is to say that the Bank of Canada will be able to lend money at one half per cent. At the same time, the municipalities will not have their budgets burdened with so much interest increasing their debts, for let us not forget that the more we give now to the municipalities, the more we help them service their debt which represents such a large portion of their budgets.

Then, what should the interest be? If the Minister of Finance is willing to seriously consider the motion for which he voted last year and to which the Leader of the Opposition (Mr. Diefenbaker) referred earlier, that is the motion on debt free money and implement it, he will see to it that the Bank of Canada grant interest free loans to municipalities, that is loans without interest with the debt-free money from the Bank of Canada. Repayment then will be made much easier since the principal only and not principal plus interest will have to be repaid. We know that when a municipality has to

borrow an amount of $1,000 and to repay it with interest over 20 years it must pay twice the original amount of $1,000, thus paying twice for roads and buildings.

If the interest is low or if the loans are free from interest, the municipalities will pay the cost of construction only once.

So, Mr. Chairman, that is another important feature which should be included in this municipal development and loans legislation, namely interest free loans.

To illustrate how important interest can be to the municipalities, let us consider once again the matter of the Montreal subway. If the city of Montreal gets a loan of $200 million at an interest rate of 5 per cent to build the subway, every year, in interest alone, the municipality will have to pay $12 million to service its debt on the subway alone. If the amount is to be repaid over a period of 100 years, that is the life of the subway and the amount of depreciation alone—that is $200 million divided by 100 years—then, the municipality would be paying only $2 million a year and after a hundred years, the subway would be completely paid for, instead of paying $12 million a year on interest and after a hundred years not having even started payments on the capital borrowed and still owing the whole value of the subway which will be worn out by that time. That subway would then be completely useless and the municipality would have paid $12 million a year for it.

But in proceeding the way I suggested a while ago, the city of Montreal would be paying only $2 million a year and after a hundred years, the subway would be completely paid for.

Mr. Chairman, that is, in our opinion, a most important matter that the Minister of Finance will have to consider when he proposes the bill: an interest free loan and, most of all, a loan from the Bank of Canada. It is important to know where that money will come from. If it comes from the Bank of Canada, it will be new credit that will, more or less, increase the credit already in circulation and will make itself felt in the country as a whole as purchasing power that will enable Canadians to buy the equivalent of the increase in production.

A short while ago, I listened to the Leader of the Opposition talking about what he called "easy money". Mr. Chairman, we in this party call that adequate money to meet the needs of the country. It is not necessarily easy money, it is not what is called easy money. It should be called adequate money, to achieve what is possible in our country.

It is possible to do that, since today, municipalities borrow largely on foreign markets; as a result foreign money is brought into our country and it is added to our own money supply. We would rather have our own Bank of Canada add money to the Canadian market.

The fact that money comes from one place or another—and I want the Minister of Finance to listen carefully—will not create inflation. Suppose I have two jugs of water and that one is filled with water brought in from New York and the other is filled with water taken from the taps of the Bank of Canada. If I pour some of the water in a glass, this will not mean that the quantity of water has been increased. The fact that money comes from Canada or from abroad will not mean more money in circulation in Canada, since the amount of money that will be added through building of works will be about equal. The difference will be that instead of the country's progress being reflected in borrowings abroad, it will be reflected directly in credit created by the Bank of Canada, an agency which belongs to the Canadian people.

Mr. Chairman, I suggest that this makes all the difference in the world, because our progress, the progress of the country, will not be financed any longer by foreign countries or foreign lenders, but by an agency that belongs to Canadians, to the whole of Canada. That is the difference, and I hope that the Minister of Finance, when he introduces the bill, will take those two factors into consideration.

Money must come from credit issued by the Bank of Canada interest free, except for administrative costs, with a view to facilitating the development of the country, so that Canada's development, Canada's progress will not always be dependant upon an ever increasing and continuing debt; it is imperative that our progress, the progress of the country be free of the indebtedness we have known for so long.

Mr. Chairman, if the Minister of Finance wants to adopt those two suggestions—and I think it can be done because, after all, the Bank of Canada does exist for some purpose and the minister can make use of it—he will have full support of our group and we could say that it would be the first measure ever

introduced in this house which would allow Canadians to develop their country themselves, without resorting, for the financing of those loans, to foreign companies, foreign banks or even Canadian banks. That would be progress, that would be the financing of the development of our country by ourselves and not by foreign countries or through foreign loans, and we are convinced that it can be done. At that time, such a measure would allow investors to invest not in municipal loans or in national loans but in the development of the country.

Too often in the past we saw people with capital to invest put it in the debt of the country, through their buying of federal or municipal bonds, instead of taking their money and investing it in the industrial development, in the development of trade and so on. If this government, through this legislation, goes to the Bank of Canada for funds instead of going to the usual lenders, then it will have the opportunity to invest that money in industry, in trade, in the assets of the country.

These were, Mr. Chairman, the two main suggestions which our party wished to make to the Minister of Finance, and we hope that they will be taken into consideration when the bill is introduced.

(Text):

Mr. Martin (Timmins): Mr. Chairman, a careful reading of the resolution that is now before us leads me to believe that the main purpose of this resolution is contained in the first line of it where it states that it is expedient to introduce a measure to promote increased employment in Canada. Now, far be it from me to criticize this government for any move it may make in this direction. However, it does seem odd to us that they would do so in this particular type of legislation.

What about the needs of the municipalities themselves? Should they not be the paramount consideration in any legislation dealing with municipalities? It would appear that the real needs of the municipalities are, in the main, ignored in this particular piece of legislation. Instead of this government going to the municipalities and saying, "You have some problems, can we help you with these problems?" the government seems to have said, "We have a problem that is of paramount importance and that problem is unemployment. We wonder if we can find some way in which we can get the municipalities to help with our problem?" There does not appear, Mr. Chairman, to be any recognition of the federal responsibility to our urban communities. There seems to be no acceptance of the changes that have taken place in our society.

At one time the most of the wealth in our society was in land and real estate, but that is no longer the case. Now, less and less of the wealth of the country is in these fields but they are still the main source of tax revenues for our municipalities across the country. In other words, our municipalities are like our farmers and many other groups in our society, they are caught in this sort of cost-price squeeze. The costs of the responsibilities of municipalities are going up inexorably year after year, but still the wealth which is the main source of tax revenues is to a lesser and lesser extent contained in real estate.

However, Mr. Chairman, before I give the wrong impression to the house I want to say that we in this party welcome this move, whatever the motive may have been. It appears to be a timid little step towards solving a most important need today, that is the need for adequate social capital. The members of this party have, for many years, expressed this need in this house. I do not intend to go into the details of that today. I should like, however, to try to draw attention to just how inadequate I believe this step is. When this resolution was first mentioned, there was a reference to a figure of $400 million. I distinctly got the impression that this would be the sum for a one year period. We were disappointed today to hear the minister say that this sum was to cover a three year rather than a one year period. This means that the amount to be made available in this field is about $125 million per year.

Just how adequate is this sum to meet the need? When we are going to test something like this, we should go to the best source available. I would suggest that one of the best sources available would be the present minister when he was acting in a different capacity. If we look at the final report of the commission on Canada's economic prospects, page 308, the section dealing with social requirements by municipalities 1956 to 1980, we find no less an authority than the minister saying that the need for social capital by municipalities over that period of time would amount to about $31,500 million. If calculated on a yearly basis, this sum would yield about $1,250 million per year. However, when the minister, acting in his present capacity, is finally in a position to do something about solving this problem we find he has cut this total sum to just about 10 per cent of what he felt the requirements

were at the time he made that assessment. It may be slightly over $125 million per year, but I am sure the comparison is a valid one.

Now, reverting once more to what appears to be the main purpose of this resolution, that is to provide additional employment, I may say we have to realize something else. We have to realize that this purpose can only be reached if this money is in excess of what is available through normal channels or is in excess of what is being done at the present time. If this money merely replaces capital that is being used in this field now, then we have solved nothing. It is true that the provision of this capital may be of some assistance to municipalities because it will give them necessary capital at a smaller rate of interest than they are paying at the present time. This will be true, certainly, if this provision for a 25 per cent forgiveness, or whatever term they have for it, goes into effect.

I noticed that during the minister's remarks he referred to the fact that this proposal would increase the capital available by about 50 per cent. I hope that as this debate progresses the minister will explain in more detail just how he arrived at this figure.

There is another matter too that we must take into consideration and I believe that some recognition of this has been given in the resolution by the use of the words "subject to the approval of the provinces concerned". I think that is a very important matter to consider, especially when we find as we look across the country that many municipalities today are in the position of having borrowed right up to the maximum permitted by their provincial governments. Before the debate is finished I hope the minister will explain to the house and to the country just how municipalities in this position, and there are many of them, are going to derive any benefit from this legislation. However, as I say, there will be ample time and opportunity as debate on the resolution and the bill to follow proceeds to go into these details, so we shall await both the bill and the explanations of the minister with considerable interest.

Mr. Fairweather: Mr. Chairman, there are one or two features of this resolution that I should like to discuss at this stage. The first one, which arises out of the minister's explanation, concerns my own province of New Brunswick. I recognize, of course, that some of the difficulties must be worked out, but the fact is that the legislature of New Brunswick and not any municipal board has the responsibility of approving municipal debenture issues. To apply that problem, and it is a problem, to what the bill, I suppose, will disclose will mean that New Brunswick must wait until the 1964 session of the legislature in order that the various funding provisions can have approval. In the minister's timetable, of course, this will mean that an entire year will be lost before New Brunswick municipalities can take advantage of this legislation. It might be argued that the legislature could call a special session for the necessary approvals, but the very fact that it would be a special session would be cumbersome.

The other problem which comes to my mind immediately as one who represents a riding without any large municipalities arises from the fact that the minister has said—I can quite see the reason; it is to dovetail with existing statutes—that sewage disposal and waterworks projects will not be within the ambit of this legislation, neither will hospital construction nor, as I interpreted the minister's remarks—if I am not correct I hope he will correct me—school construction. As I understand the situation, such projects will not be considered under this new $400 million scheme, which will leave the small municipalities hard put to find projects that will fall within the area to which this legislation has application.

Second, and I think this is very important, the great problem of unemployment in Canada today is of a regional nature. As I see the legislation the large municipalities, if I may so describe the great metropolitan areas of Toronto, Montreal, Ottawa, Hamilton, Winnipeg, Vancouver and so on, will be the ones that will have the greatest need for this facility from the point of view of borrowing; and yet, as I interpret the figures and statistics, unemployment is gravest in those parts of Canada that are far removed from these great metropolitan centres. I am thinking in particular, of course, of the Atlantic provinces of Canada.

Another aspect of this legislation which I think is pertinent and should be of interest is that in 1938 the parliament of Canada considered legislation on a more moderate scale somewhat along the lines that I presume are proposed here. I think a review of the debates of 1938, when the then minister of finance, Hon. Mr. Dunning, introduced legislation to authorize loans to assist municipalities in making self-liquidating improvements, will show the very grave concern that some of the great parliamentarians of that day had. I am thinking now, for instance, of Mr. Cahan and the reservations that he and others had when they were considering the constitutional aspect of that legislation.

In his remarks on the resolution stage of that debate Mr. Cahan said that he wanted to wait until the Rowell-Sirois commission had made its report. I think it is interesting that

in Canada royal commissions, with the greatest respect to the minister, have almost been stepping stones to frustration and in this country we have tended to consider the results of royal commissions almost in isolation. Perhaps it is true to say—

The Deputy Chairman: Order. I apologize for interrupting the hon. member for Royal, but it being five o'clock it is my duty to leave the chair in order that the house may proceed to the consideration of private members' business pursuant to section 3 of standing order 15.

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

PRIVATE BILLS

THE PHARMACY EXAMINING BOARD OF CANADA

Mr. D. R. Mitchell (Sudbury) moved the second reading of Bill No. S-7, to incorporate the pharmacy examining board of Canada.

He said: Mr. Speaker, the title of the bill, as has already been indicated, is an act to incorporate the pharmacy examining board of Canada. In explanation I might say the purpose of this bill is to establish qualifications for pharmacists, to provide for fair and equitable examinations and to promote, with the consent of the appropriate licensing bodies, the enactment of such provincial legislation as may be necessary or desirable in order to supplement the provisions of the bill.

The powers of the board shall be to issue certificates of qualification in pharmacy; to establish, maintain and revise from time to time a register of all persons who have been granted certificates of qualification by the board; to establish the terms and conditions under which such persons may obtain certificates of qualification, and to establish and maintain a panel or panels of examiners to conduct such examinations.

Nothing in this bill authorizes the board to interfere with, or otherwise affect the rights and privileges of any licensing body under provincial law, and I would suggest to all hon. members that any questions concerning this bill might be raised in the committee on miscellaneous private bills where the legal adviser and the secretary manager of the Canadian pharmaceutical association will be in attendance. I assure the house the bill has nothing to do with the cost of drugs, and is merely to establish uniform educational qualifications across Canada.

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

[Mr. Fairweather.]

PENSION ACT

AMENDMENT PROVIDING FOR APPEAL TO COURTS

Mr. Jack McIntosh (Swift Current-Maple Creek) moved the second reading of Bill No. C-7, to amend the Pension Act (judicial appeals).

He said: Mr. Speaker, since coming into the house this afternoon I have been given reason to believe that the government may refer this bill to the standing committee on veterans affairs. If that be the case may I at this time thank the government for taking such action in regard to a private member's bill. I would also ask all hon. members who intend to speak to be careful that we do not talk it out, because even if the requests which are made through this bill are not implemented, I am sure if it reaches the veterans affairs committee the wrongs we are trying to correct will be fairly heard and action will be taken on them.

Because of the contemplated action by the government I shall cut my introductory remarks as short as possible. I first brought this bill before the house on March 13, 1962. I may have been very harsh in my words at that time and perhaps, because of the proposed action of the government today, I should temper them somewhat.

The purpose of the bill is set out in the explanatory notes where they say:

> The purpose of this bill is to give an applicant for a pension under the Pension Act the right, where the pension commission or an appeal board has ruled against his or her entitlement, to have the decision reviewed by the courts—

—first on questions of law and second, on controversial issues of fact.

I understand there is a principle of Canadian law which states all members of the public have a right of access to the courts to determine their rights under the law. In this particular case the Pension Act is the law, but a veteran does not have that right under it. He cannot appeal to the courts. The present Pension Act denies that basic principle to a veteran, and denies him that right which all other citizens have.

When I first introduced this bill last year I stated:

> The bill applies to the Pension Act that principle of the rule of law that, to the degree most possible, the decisions of an administrative tribunal or commission which touch the person, property or rights of an individual should be subject to review by the courts.
>
> The United Kingdom has applied this rule of law to as many of its boards, tribunals and commissions as possible in the tribunals and inquiries act, 1958. The British parliament found it was necessary to protect the rights of the individual by guaranteeing an appeal to the courts from arbitrary tribunal decisions.

It is obvious that the intent of the Pension Act was to protect service personnel against the risks to which, by reason of their service, they were and are exposed. I do not believe the act should give the pension commission the right to substitute its views for the intent of parliament, but it has done that. I would like to read two sections of the Pension Act which, to me, take away the intent of parliament. First I refer to section 5(5) and this is what it says:

> The commission shall determine any question of interpretation of this act and the decision of the commission on any such question is final.

In other words, it does not matter what parliament put into the act, it is how the commission interprets what we put into it that counts. I suggest here and now that if under section 70, the benefit of the doubt section, one of the controversial sections in the act, a veteran could appeal, not necessarily to the courts but to some commissioner or ombudsman, as he is called, I am quite sure he would have a just decision.

I also refer to section 65(3) which reads as follows:

> Except as hereinafter otherwise provided, every decision of an appeal board of the commission is final.

That is quite definite and I say those two sections are contrary to one of the basic principles of Canadian law, namely that each subject should have the right of access to our courts to determine his rights. The right to appeal to our courts, by the veteran applicant, is taken away from him by section 5 and section 65(3).

Parliament in its wisdom, and at the request of the courts, enacted legislation known as the Interpretation Act, which should have been a guide to the pension commission and which is supposed to apply to all our laws with the exception of criminal laws. Section 15 of the Interpretation Act was inserted on the basis that the law as it existed perhaps did not do justice to some person or group of persons. Therefore parliament gives the person or persons affected a right, and a remedy, before the courts of the land.

By the inclusion of section 5 and section 65 in the Pension Act, veterans and veterans' dependants do not have the protection of anyone. They have not even got the protection of parliament at the present time. I believe the average individual citizen feels that he or she ought to be able to challenge, before some independent and impartial third party, any adverse decision made against him or her by a government official or a body of government officials, but this right is denied to our citizens donning any uniform of our armed services in the event that they have a pension claim. They are not guaranteed their rights against an arbitrary decision of the pension commission.

We must admit the Pension Act as it is now on our statute books is law, but many of us do not believe it is just law. Law and justice are not the same thing. I would suggest the Pension Act, as it now reads, is not good legislation and I do not believe it intended to give so much power to a tribunal as it apparently has given to it. A review of parliament's intention can be determined by reading the debates in *Hansard* when the Pension Act was passed and subsequently amended from time to time. However the real test of any legislation is in its administration, and this to me is where this act particularly appears to be discriminatory. I am informed by the pension commission that when it makes its decisions it is governed by precedent. Some of us may think it should be governed by common sense. A review of some of the decisions handed down by the board will bring to light the ridiculous use of the word "precedent" by the pension commission. There is no consistency in the reasons for the decisions handed down by the board, and what they call precedent has no rhyme or reason. To illustrate my contention that there is no precedent governing the decisions of the board and that their findings are discriminatory, I would ask the house to compare a few reasons or decisions handed down by the board in order to see how narrow and small are some of them. I would refer hon. members to a case to which I referred in March of last year, when I said this:

> I would refer hon. members to the evidence of the vice chairman of the Canadian pension commission, as recorded on May 18, 1961 in the minutes of proceedings on veterans affairs. Referring to one case, the reason for the decision was as follows:
>
> "He went across the street and delivered the message, stepped out of the door and was hit by a truck. If he had been hit going in the door, before he had delivered the message, he would have been pensionable; however, he was hit when he went out the door, and he was not pensionable."

More liberal decisions have been made, I admit, by the pension board when the service personnel concerned were not even on duty. I would refer the house to one other case as an example. This was in regard to an R.C.A.F. man killed while flying for a civilian flying club. I will not reveal the name but I would just refer to this case. This is the decision handed down and the reason for granting a pension:

> This board, after a comprehensive study of all the circumstances attendant upon this case, concluded that the applicant, although not on duty at the time of the fatal accident was by his efforts making a contribution in the best interests of the Royal Canadian Air Force. Service compulsion does not appear to be involved in this case, but the interests of the service would appear to be so.

Invoking to the full the provisions of section 70, it is therefore concluded that the accident causing death was directly connected with regular force service in peacetime.

I would point out that another contentious passage in the Pension Act, as many veterans know, is section 13(2). The last line of that section reads—

—arose out of or was directly connected with such military service.

It does not seem to be very difficult for most of us to connect an accident with either of those provisions, but I would ask hon. members to try putting a case before the pension commission and see how far they get with this section or section 5(5), because the interpretation of the act is entirely a matter for the board. We have cases where a pension has been given to a serviceman on leave, and I have one such case here:

The man was on leave just prior to discharge. He was ordered to report to Ottawa for discharge. Returning from leave to report, he crashed into a standing bus, suffering chest injuries which resulted in permanent disability.

He was given a pension. I would also suggest that when an applicant engages the services of a prominent lawyer his chances of a favourable decision are greatly increased. The appearance of a prominent, qualified lawyer seems to influence what I maintain is an unqualified board, in the realm of interpreting the law. I have another case here which I imagine deals with a sailor who was on leave at the time. I am not going to read all the facts, but he had a gunshot wound in the back as a result of being in the path of a robbery. This is the decision handed down by the board:

The facts of the case are not in dispute, the only issue being, did the incident arise out of or was it directly connected with peacetime service. The undersigned were impressed—

I would ask the house to listen to this passage. The "undersigned" were the board:

The undersigned were impressed with the learned counsel's argument and conclude that whereas the sequence of events leading up to the injurious accident cannot be classified as entirely peculiar to military service—

And so on.

However, they did grant him a pension under section 70. I do not deny the fact that in the last three cases to which I made reference these people were entitled to a pension, but the decisions and results are very difficult to relate to the first case that I mentioned, where the chap went in the door and delivered the message, came out of the door and was hit, and the pension board decided that if he had been hit going in, he would have been pensionable, but as he was hit coming out, he was not pensionable. How does one explain that to an applicant?

[Mr. McIntosh.]

To me and to the dependants in this case it would seem there is strong evidence for the charge of discrimination. I am reminded of a recent editorial which appeared in one of our local newspapers commenting on the Gordon Knott case, which was debated in this house not too long ago. I am not going to read the whole editorial, but shall read part of it. The article is headed "There should be a right of appeal" and states:

It is when action is taken in secret, and without the chance of appeal for the redress of grievances, that the possibility of mistake, injustice and arbitrariness may become serious.

Later on the article says:

It would seem desirable that some method of appeal against arbitrary action should be found—

That is what I am suggesting in connection with the Pension Act. If the house will not pass this bill or the government will not take steps—although I hope that they will take steps—to amend the present act, I hope they will give consideration at this time to appointing what is commonly known as a special parliamentary commissioner, or, as I said previously, an ombudsman, a person who could investigate these complaints and bring them to the attention of those on the treasury benches or some supreme authority which would act on them.

I intended, Mr. Speaker, to say something about section 13(2). I also wanted to tell the house about the support I have received for this bill from many Legion branches across Canada. I would also say that if this bill were accepted, the pension commission could itself appeal to the courts regarding the interpretation of the law. However, as I have asked hon. members to desist from talking too long perhaps I had better sit down myself. I wish to thank the government for the consideration I hope they will give to this bill by referring it to the veterans affairs committee, at which time I will have more to say.

Mr. L. T. Pennell (Brant-Haldimand): Mr. Speaker, I welcome the introduction of this small but not unimportant bill. At the same time I can assure the hon. member for Swift Current-Maple Creek (Mr. McIntosh) that I shall compress my remarks into a narrow compass. As I understand the bill—if I may make a few general observations—its underlying principle is to maintain public confidence in our tribunals and commissions by making sure that under proper circumstances there is a right of appeal to our courts of law. There is a growing concern among the public that as our life has become more complicated, we are subjected more and more to the restrictions of commissions and tribunals; that there is an encroachment upon private right and private interest. This danger

was exposed as long ago as 1929 by Lord Hewart in his book "The New Despotism". I do not suggest for one moment that the introduction of tribunals and commissions ipso facto leads to a restriction of private rights; on the contrary, many commissions have extended private rights. However, the danger of the collision between the private right and the public interest is always there and in this somewhat uneven fight I respectfully suggest that it is essential that in proper circumstances there should be a right of appeal to our courts of law.

This bill contains, in my respectful opinion, the seeds of three good principles. In the first place, it would mean that an unsuccessful applicant would at least be assured that he has had a full and careful consideration of his appeal. If this recourse is denied to him, as it is now, it means he has been judged by a commission consisting of appointees of the minister. The danger of this situation is that an applicant may feel he has come up against a blank wall of unfettered ministerial discretion. If he were granted the right of appeal and, again, this would only be by leave, he would have the feeling that careful and unbiased consideration had been given to his petition.

The next point I wish to raise is this: without casting any reflection whatsoever on the present commission which has, I believe, done outstanding work and provided a speedy way of exercising the rights of individuals, I believe it is fundamentally true that whatever tribunal or court is rendering a decision, if it is aware that there is another court above it to pass on what it is doing, it automatically gives more careful and anxious consideration to the matters before it.

The third point I wish to make is this: I feel it is imperative that the work of all commissions and tribunals should from time to time be reviewed by our courts. I realize that when an application is successfully made for leave to appeal, the court of appeal would be dealing only with one individual case. But such a situation often leads to the entire mechanism of the tribunal or commission concerned being brought before the scrutiny of the appeal court. These things are fundamental to the proper working of a democracy.

I am somewhat concerned about the proposed section 68A which grants both to the individual and to the commission the right to apply for leave to appeal. Looking at section 68A(1) (c) it appears that this would cover a case where the commission would be appealing an award to an individual on the ground that it had been obtained by fraud or misrepresentation. As I understand the proposed amendment it would appear that application for leave to appeal in these circumstances would be an ex parte motion. In other words, the individual concerned would not be present at the application. I respectfully suggest that when the commission is taking steps to withdraw a pension from an individual that person should be entitled to be heard and to make representations at the moment when application is made for leave to appeal. This is a matter which concerns me seriously and I suggest that the procedure in connection with leave to appeal should be spelled out in detail in the bill.

With these words, I shall conclude. As I say, I welcome the bill and I trust it will be dealt with expeditiously.

Mr. H. A. Olson (Medicine Hat): On behalf of the Social Credit group in this house I should like to inform you, Mr. Speaker, and the hon. member for Swift Current-Maple Creek (Mr. McIntosh) that we shall give qualified support to this motion, the qualification being that we should like to give the measure detailed examination in the standing committee on veterans affairs, a proposal which I am sure will be completely agreeable to the hon. member.

It would be impossible to deal with all the amendments proposed to the Pension Act as set out in Bill C-7 during the short period we have available this afternoon. I do not wish to go into a lot of detail at this stage, but as I say we would hope this measure could be referred to the standing committee where there would be an opportunity to scrutinize closely the present act for any weaknesses it may contain, and see whether the proposals which are made in this bill would correct them.

We agree with the hon. member who sponsored this bill, that there are instances where it appears that veterans have been treated unfairly by the board. I am sure almost every member of this house has received representations from time to time complaining that applicants have been treated unfairly. As has been pointed out, in most of these cases one is really up against a stone wall in trying to have justice given if the board feels it has not made a mistake.

So, without taking much time, I just want to say we would support a motion to have this bill referred to the veterans' affairs committee in order that a more detailed investigation by way of the cross-examination of witnesses and so on might be made. Some further amendments additional to those suggested in the bill might be necessary after we have had the opportunity to conduct this cross-examination but, again, we are agreeable to supporting a motion to send this

measure to a committee in order that this complete examination might be carried out.

Mr. John R. Matheson (Leeds): Mr. Speaker, in rising to contribute a few comments on this bill I wish to say I admire its sponsor, the hon. member for Swift Current-Maple Creek (Mr. McIntosh) and the way the bill was presented so forcefully in the last parliament. I refer to the hon. member's address delivered on March 13, 1962. He has indicated his belief that the bill now before us is the solution to this problem, just as he did when the government of which he was a supporter was in power. He put the measure forward forcefully and well. A number of us have had an opportunity to examine the reactions to the bold presentation he made at that time.

I do not think there is much dispute about the fact that there have been decisions which we find hard to accept and hard to understand. The hon. member indicated how ridiculous it was that a decision could give one result when a man went across the street to deliver a message, and another should he be hit while he was leaving the door. This is not the only case of this sort. There have been a number of cases where the pension commission has reached conclusions which we find hard to accept. But there is another problem here, one which I think we must consider without doing violence to any of the sentiments uttered by the hon. member. I think he is presenting the case from the viewpoint of the lawyer. This is almost the kind of presentation one might expect to receive from the Canadian Bar Association. Characteristically lawyers tend to think that the best solution lies by the process of appeal. It is easy for me to understand that point of view.

As parliamentarians, however, we have sometimes to divorce our thoughts from our vocations and recognize that as government has developed and as legislation has become more complex over the years, a large number of administrative tribunals and bodies having judicial or quasi-judicial powers have come into being. I think it could fairly be maintained by a student of political economy that the bill now before us, an attempt to amend the Pension Act by providing for judicial appeal, is in principle retrograde. It represents an attack on the whole modern concept of administrative law, which indicates that there are certain problems sufficiently specialized as to call for detailed technical evidence. In this case, the case of pensions, we are largely concerned with medical cases. Often times there is need of speedy decision. We are faced with the likelihood of claimants frequently being without resources and unable to support the lengthy and costly process of appeal. Also, these pension decisions deal with questions of fact as well as with law, and in a manner sometimes very difficult to distinguish. It is this combination of facts and law which sometimes renders an administrative tribunal precisely the right kind of place to hear this peculiar type of claim.

I am sure that many of us in this house have had cases where we have taken issue with the workmen's compensation board. In my own case I have in mind the board in Ontario. Yet if we look at the literature on the subject throughout the world we find that our workmen's compensation act has been cited as a model. It would appear to students of this legislation who have studied it in depth that the act provides solutions and quick justice for people, a situation which, I say regrettably, cannot always be obtained through our normal processes of litigation. It is suggested that an appeal to the courts or some of these tribunals would be retrograde in the sense of being time-consuming, and one can suggest to this house how time-consuming it might be if we had to appeal to the court of appeal of a province or to the Supreme Court of Canada. It becomes, of necessity, a process which is costly, and in all likelihood cumbersome. We all know that courts often tend to be overloaded, which might very easily lead to further delays. The way in which our courts dispose of their business illustrates a great inequity in work loads in different courts in different parts of Canada.

Then, judges do not always have that intimate knowledge and understanding of the type of case which presumably would come before the pension commission. We might have a situation where the court of appeal of a province makes a wise and sensible decision, and yet another court of appeal in another province which might have had virtually no experience in this type of legislation on the same facts might come to a very poor decision. I do not know what the answer to this is. As I say, the approach of lawyers, individually and collectively and certainly of the Canadian Bar Association would be that we should always have appeals. I think there would be large support for the submission of the hon. member that decisions should be reviewed, and that there should be a tribunal or some other body which can re-examine the case. Yet in the matter of pensions I think experience has tended to prove that certain classes of pensioners have been very fairly treated indeed. I think it is the consensus among veterans that servicemen of world war I and world war II are getting a good hearing

before the pension commission. That is because of the insurance principle. It has been said that all a man has to establish to become pensionable is that he was there.

It seems to me, from what I can judge and inquiries I have been able to make, that the complaints lie largely with the type of case referred to by the hon. member, that of the permanent force soldier, sailor or airman who is not accorded this same protection, and who must establish that his injury arose out of, or was directly connected with, military service. The hon. member has referred the house to section 13(2) of the Pension Act. At the moment the pension board consists of 13 members three of whom are lawyers. In my opinion there are not enough lawyers. Perhaps we have too many lawyers in some places, but I believe there are not enough on the pension commission. It is precisely the kind of case referred to by the hon. member which, I think, has thrown confusion into the decisions of the pension board.

I was particularly concerned about the case of a nursing sister, a sublieutenant in the Royal Canadian Navy, who came before the appeal board in December 1959 with regard to the accidental fracture of her right tibia and fibula, and who received an adverse decision. She was serving at H.M.C.S. *Cornwallis*, as a hospital operation room nurse and was the only nurse detailed. She was required to stay in the north block and eat in the wardroom, and had to be on the station. This nursing sister was subject to emergency calls at any time. She drove her car, which she had tacit authority to use, from the barracks to the wardroom before reporting to the hospital for normal duty. She parked her car, went towards the wardroom and slipped on a very icy, unsanded surface. This attractive young lady with a fine career before her suffered very serious injury. One of the most powerful and influential members of this house at that time, the hon. member who represented Dufferin-Simcoe in the last house, and who certainly, it would be supposed, would have had the ear of the government, exercised himself on her behalf to see that her case was fairly and well put before the commission. I know this was done, because of the interest of this hon. gentleman of unusual parliamentary experience and ability. Yet the pension commission came to the decision that the incident did not arise from military service. The fact that she had to have her breakfast before reporting to the hospital and had slipped on a very icy surface at H.M.C.S. *Cornwallis* apparently did not commend itself to the members of this commission, who I think were laymen. They decided that the injury did not arise out of her military service.

Mr. Speaker, what is the solution? I think the solution has been suggested by the hon. member who presented his case so well today. He spoke of the possibility of a parliamentary commissioner, or ombudsman; or, if I may refer to a bill I have on the order paper, a people's tribune. But surely there should be, not only for this kind of case but for a whole variety of cases resulting from decisions arrived at by administrative tribunals, some recourse in extraordinary cases where a claimant could put his particular set of facts before such an officer and as a result perhaps have a new opportunity to present his case.

In my opinion, just as in the sad case to which my hon. friend from Swift Current-Maple Creek (Mr. McIntosh) referred, I think the Chambers case should be named where a young serviceman died on November 18, 1957, and the appeal board hearing took place on May 12, 1959. It does not seem right that that tragic result should occur without some kind of solution or remedy being provided for the dependants. Surely we are not satisfied with this kind of conclusion. Yet, Mr. Speaker, over the past few years we have had as the best advocate, I submit, for servicemen both of world war I and world war II, and also for members of the permanent force, the Royal Canadian Legion. Certainly we must pay close attention to the Legion when they address themselves to problems relating to pensions. This is something they know a great deal about.

I should like to refer the house to *The Legionary* of July 1960, which contains a report of the resolutions committee of that year. On page 15 of the report there is a heading entitled "Explanation of Appeal Provisions", and the text reads as follows:

> At the Edmonton convention it was resolved that the dominion executive council bring in a report for the next dominion convention on the desirability of establishing an appeal from the pension commission to an independent authority. This resolution was referred to the members of the veterans welfare advisory committee, who made an extensive study of the problem and considered the opinions of a large number of people with first-hand knowledge of the circumstances and background of the whole matter. This committee reported to council through its chairman, comrade Mervyn Woods, to the following effect:
>
> 1. The present legislation and procedure is basically sound and the establishment of an appeal board would not serve to advance the interests of the veteran.
>
> 2. There are a number of ways in which the commission may improve its operations and bring them in line with the intent and purpose of the statute under which it is established. These include:
>
> (a) Use of section 8 to make regulations in respect of procedure to be followed instead of allowing unwritten policies to have the effect of regulations without the knowledge of those to whom they apply.

Then, paragraph (b) refers to the proper use of the benefit of doubt clause. I shall not read any further, but hon. members who are interested in this submission could refer to *The Legionary* and consider the report of this resolutions committee of the Royal Canadian Legion.

I am not satisfied that any committee is always wise. I am sure that the hon. member has brought forward a very important point. There are cases in which the decisions are clearly unjust, unreasonable and not sensible at all. In so far as the two cases to which reference has been made are concerned, I do not believe these were fair conclusions, having in mind the kind of conclusion that lawyers would have expected to arrive at before a civil court under similar circumstances. I believe that if either of these cases had come before a civil court and had been heard on appeal, there would have been a different kind of decision.

From what little I have been able to determine in connection with some of these cases—and as outsiders we cannot discover too many details—I believe there have been cases in which the commission has been confused between its duty on the one hand to the applicant and, on the other hand, the need to protect the public purse.

There is another problem, and it seems to me that this is inherent in the report that was handed down by this resolutions committee as reported in *The Legionary* of July, 1960. I am told that years ago there was an appeal process. I am told that soldiers and some experienced veterans who have been doing work for veterans groups over the years came to distrust the appeal procedure. Their experience has indicated that, on balance, the appeal procedure did not work too well for the veteran. After all, if the applicant for a pension can appeal, it seems only proper that the crown likewise can appeal. I believe that most of us feel that, in many cases, the pension commission have winked their eyes a little at factors that might not have been too helpful to the applicant in order that the commission might render an equitable and generous verdict. The fact that we are private members of parliament places us in a position where we are addressing ourselves frequently to this kind of problem. We understand the problems of our constituents, and applicants who have a very reasonable case to put before the government. On the other hand, we know that the public purse has to be protected against unfair claims.

I feel, therefore, that the solution is not to be found in this particular bill. We respect the hon. member who introduced the measure. We know that he has been a champion of the veteran. He has this reputation not only in his own province but across the country. He has done the veterans a service in throwing light on the inequity of some decisions handed out to some applicants. It seems to me the solution to the problem lies in some other remedy than the one provided in the hon. member's bill.

If one looks over the private members' bills presented to this house, he finds that basically there are two things about which members are thinking. There seems to have been a great deal of concern about consumer credit, and the second most important thing, if I read these bills correctly, is the need for some kind of adequate protection against the inequities if not injustices that result from decisions of administrative tribunals. Sometimes the members of these tribunals are trying to follow the legislation as fairly as they can. They cannot help it if the result appears to be unfair.

It is clear that, in so far as the cases referred to are concerned, the commission tried to follow the precise wording of the legislation. I hope the answer to this problem may be found during the twenty sixth parliament in which no party is in a position of dominance. Perhaps by working together we can come up with a solution by providing for a people's tribune, ombudsman or something of the sort, and thus allow some kind of reconsideration of these decisions.

Mr. Speaker: Order; I am sorry to interrupt the hon. member but his time has expired.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to speak briefly on behalf of this party. I intend to be brief because I understand there is another member who would like to say a few words.

First of all, I want to congratulate the hon. member for Swift Current-Maple Creek (Mr. McIntosh) for his sincere and continued interest in the welfare of veterans and their dependants. He has brought these matters to the attention of the veterans affairs committee. He has discussed them with members of other parties. The results of his industry are indicated by the introduction of this bill last year and its reintroduction this year. We know that the hon. gentleman is introducing his bill with the idea of doing something to correct a certain situation he considers exists under the present law.

However, let me say this: While we are sympathetic to his purpose I think we should tread cautiously in respect of this type of legislation. The previous speaker mentioned the workmen's compensation act. I am sure he will be interested to know that British Columbia was the first province in Canada to have

a workmen's compensation act because the labour organizations in that province pressed for that very strongly from the early days of this century. However, those who have been interested in the administration of the workmen's compensation act in British Columbia, and in other provinces, have also been interested in proposals made from time to time for the right of appeal to the courts against decisions of compensation boards. Invariably, after consideration by various labour organizations and other persons interested in the best procedure to provide the best results, they have come to the conclusion that they were safer to leave their cases in the hands of the workmen's compensation boards. In many instances, the companies have much more money than the workers or the trade unions. This has been the experience of those interested in this type of legislation under compensation boards which have to do with civilian casualties, just as this legislation has to do with the casualties of war.

Now, this matter has been discussed by the various branches of the Royal Canadian Legion and other veterans' organizations. I understand that the matter was discussed at the last convention, but to date the Legion has not taken any position on this question. I think it is fair to say that they are interested in all proposals. I do not think it is necessary to take the time to go into the arguments for and against this bill, particularly since I heard the hon. member who introduced the bill mention the fact that the government was quite willing to have it referred to the standing committee on veterans affairs. I think the subject matter of the bill should be referred to the standing committee on veterans affairs where we can have witnesses called before the committee, where we can get the opinions of the representatives of the veterans through the Royal Canadian Legion and through other veterans organizations, and hear the pros and cons as the result of weighing the evidence and as the result of experience. I suggest that would be the best way to deal with this quite important question at this time. After hearing evidence the committee could then come to conclusions and make a report to the house on this very interesting bill. With these few remarks, Mr. Speaker, I conclude.

Mr. Bernard Pilon (Chambly-Rouville): Mr. Speaker, in so far as the bill is concerned my observations will be brief. In principle it is highly acceptable. I should like to underline the very true observation made by the hon. member for Swift Current-Maple Creek (Mr. McIntosh) when he stated that law and justice are not similar. Permit me to continue in French.

(Translation):

The principle in itself is quite acceptable, however, we should not question the decisions of the commissioners who are incidentally fully qualified veterans with a deep knowledge of the act; however, they are not infallible. Many cases have been brought to their attention but perhaps they have not always rendered wise decisions. The veterans' associations, the Canadian Legion in particular, of which I am a member, as well as other people who take interest in the welfare of the veterans and their dependants, still study the principle and the object of the bill now before the house, supported already for quite a long time by the officialdom.

Talking of officialdom, as the commissioners of the Pension Act are directly concerned only with that particular legislation they may be inclined to act as a mere machine.

In the first place, we should consider the possibility of amending the act;

Second, we should get legal opinions from the Department of Justice;

Third, we should refer to legal precedents;

In the fourth place, we should know the views of veterans' organizations.

As for the privilege of appealing to a higher court, which is legitimate in itself, but should be permitted only as a last resort, when all other means available for the individual concerned have been tried, it is obvious that it would be an additional means of furthering the welfare of our veterans. As the hon. member for Kootenay West suggested, I am of the opinion that this bill should be referred to the committee on veterans' affairs.

(Text):

Hon. J. Watson MacNaught (Solicitor General): Mr. Speaker, I move, seconded by the hon. member for St. Denis (Mr. Denis):

That this bill be not now read a second time but that the subject matter thereof be referred to the standing committee on veterans affairs.

Amendment agreed to.

Motion as amended agreed to.

Mr. MacNaught: Mr. Speaker, I think it would be unfair to call any more public bills now so I suggest that you call it six o'clock.

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

MUNICIPAL DEVELOPMENT AND LOAN BOARD

PROVISION FOR FINANCIAL ASSISTANCE TO MUNICIPALITIES

The house resumed consideration in committee of the following resolution—Mr. Gordon—Mr. Batten in the chair.

That it is expedient to introduce a measure to promote increased employment in Canada by the provision of financial assistance by way of loans to municipalities, the object of such loans being to enable municipalities to augment or accelerate their capital works programs subject to the approval of the provinces concerned; and for this purpose to provide a special fund in the consolidated revenue fund not exceeding four hundred million dollars to be available for the making of loans to municipalities and certain other municipal authorities for specific municipal capital works projects; to establish a municipal development and loan board to administer the fund so provided; to authorize the acceptance of municipal debentures for any loans so made; to authorize a measure of forgiveness in respect of any loans so made, depending upon the date of completion of the projects for which such loans are made; and to provide further for other related and incidental matters.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Fairweather: Mr. Chairman, that burst of applause from a packed house gives one a great deal of confidence and desire to continue this debate. At five o'clock, when I was saved by the bell, I was expressing concern about the fact that the large metropolitan areas would gain most from the proposed legislation that we are considering by way of this preliminary resolution. Yet, I think it is correct to say unemployment is highest in the less settled areas.

I think it is right to say the minister this afternoon suggested the priority which the government has given to the introduction of this resolution showed it to be one of the most important decisions of the much heralded program for action; but is it not interesting that this veritable keystone in the attack on unemployment should take the form of new borrowings by the municipalities? This is a fact, no matter what the forgiveness provisions, write-offs or other lures may be. I suppose we have to admit that almost every new program devised by government has the effect of increasing taxes, but I suggest the scheme proposed by this resolution is more cleverly indirect and obscure than most. Perhaps this is symbolic of our age, that the public can be so easily seduced by high-sounding policy statements.

[Mr. Speaker.]

Obviously all responsible members of parliament have a duty to consider carefully any measure that has as its objective increased employment, and a fair debate on any measure to increase employment would have to cover those helpful plans of the former government. I am not going to fall victim to my own advice by listing the achievements of another government, but there is one I want to mention as an example of what I call the creative use of money.

The shipbuilding subsidy program has meant a great deal to my constituency, and I might mention my constituency is what the textbooks of the twentieth century call the bedroom of the urban areas. It is where the workers who labour in the cities live. When I mention that program I am thinking of the Saint John Shipbuilding & Drydock Company which, within a period of a few years, has advanced from a couple of hundred employees—just a skeleton staff—with old worn-down equipment, to a firm employing about 2,800 people. This is largely, but not entirely, due to the shipbuilding subsidy program, and is also due to the initiative and drive of the present chairman of the board.

This program appeals to me because it uses federal moneys creatively. I only hope that on Thursday the Minister of Finance will catalogue other programs of this creative type, and this leads me to the hope and expectation that the capital projects approved by the board contemplated in this resolution will fall largely into what might be called creative social capital schemes. The only trouble is that when we start talking about social capital my hon. friends to my left, in a literal but not in any other sense, place upon the expression other meanings. They include wonderful testimonials with coloured water, which enlightened Canadians via television during the last election campaign.

As I mentioned at five oclock, Mr. Chairman, this is not new legislation. In 1938 parliament passed an act to assist municipalities in making self-liquidating loans. I am not going to go over that ground; but parliament was then, as it must be now, concerned about the constitutional aspect of the legislation, and the interesting thing in 1938 was that the device used provided that the provinces should guarantee all loans approved. This was an interesting device to avoid a constitutional problem, because surely it was redundant to have the provinces guarantee loans already granted by the federal government?

I am also interested in the formula which the proposed board will use in approving loans. Will it be the same as in 1938 on a per capita basis to the amount of the loan? That is, will the aggregate amount of loans

to a municipality be proportionate to the $400 million which the population of that municipality might bear to the population of Canada? There will be some interesting juggling and pressuring, if pressuring is a word we are entitled to use in parliament. If there is not some fair and equitable system of sharing, then the fund will be quickly gobbled up by the large metropolitan areas.

Recently I was reading the catalogue of projects the municipalities have already proposed. I think they are up to $180 million. We are only at the resolution stage of the bill and we have not yet heard from Her Worship, the Mayor of Ottawa. May I again remind the house—and this is the danger I find myself in as a representative of one of the extremes of Canada, not a political extreme but an extreme of unemployment—that this legislation is designed to help the larger cities of Canada, and it will not really touch the grave problem of regional unemployment. Smaller cities and towns will not benefit because of the restrictions placed on the projects. Sewerage, hospitals, and slum clearance projects are all excluded because they are covered by other legislation, and presumably expressways, roads, streets and sidewalks will be the basic items of interest to all but the larger municipal areas.

Just because the house is slowly filling up I wish to give it the benefit of my own white paper. I have issued a white paper and have been assisted in this by the Canadian Federation of Mayors and Municipalities. I have done this because I do not think any consideration of a resolution such as this would be complete without a white paper. I have two tables; I am not going to file them but I shall read them.

Mr. Macdonald: File them.

Mr. Fairweather: No, I am not going to file them.

An hon. Member: Dispense.

Mr. Fairweather: We could easily dispense with the Secretary of State, Mr. Chairman, but not with my tables. If he will resume his seat and pay attention I will give him the benefit of this statistical analysis. Table A is the outstanding net debt, direct and guaranteed, of municipal governments. This is in millions of dollars. Nineteen sixty one, estimated $4,570.2 million. That is a net increase of $360.8 million. I am going to skip some of these figures because the Secretary of State has asked me to dispense with reading them and I would like to co-operate with him. I am going to pick out various years. For instance, 1958, $3,380.7 million, a net increase of $397.5 million. This is interesting because it is within a very few thousand dollars of the total amount this government is going to add to the funds that are to be used to face the grave crisis of unemployment. I think this statistic proves the point that other speakers will surely make, that this amount is most inadequate to face this problem.

Even in 1955 the outstanding net debt of the municipalities was $2,328.4 million and that year there was an increase of $259.9 million, well over half the amount that this generous government is adding to the funding of municipalities. Just so there will be no doubt as to the authenticity of my figures, I would point out that they are taken from the Bank of Canada statistical summary supplement of 1961.

Then, because the Secretary of State has expressed interest in having both tables, I am going to give him table B, which is the municipal direct and guaranteed bonds. This is interesting because it covers a series of new issues by municipal governments over the past few years. Perhaps I will save the time of the house by giving the net new issues. This is interesting because you have the gross new issues delivered in each year, and then you take the retirements from that and get the net new issues, in case anybody doubts me. In every instance they are well over half the amount that is projected in this legislation; in many cases they are almost three quarters of the amount of new capital projected in this legislation. This summary is taken from the February, 1963 supplement to the Bank of Canada statistical summary. I am trying to indicate, of course, that the $400 million is going to be used up before the Secretary of State has had time to blow his nose; or is it sneezing that is the new device the present government uses to explain our problems?

In its submission to the royal commission on banking and finance last October the Canadian Federation of Mayors and Municipalities referred to forecasts made. I am sure they are accurate because they were made in 1957 by the Gordon commission. Emphasizing that no provision was made for mass transit and commuter railway facilities, nor was there any apparent inclusion for the municipal costs of urban redevelopment, the federation brief continued with these words:

> Despite these omissions—

And they are basic:

> —the commission estimated that by 1980 social capital expenditures will be required in Canada to the amount of $19.5 billion for roads and streets; $4.2 billion for school and universities; $2.7 billion for hospitals; $2.7 billion for sewerage systems; and $2.4 billion for waterworks.

The total estimate of capital expenditures on these items alone amounts to $31.5 billion. The greater part of these expenditures will devolve upon municipal governments.

If there is validity in these estimated figures—and, with great respect, I suggest there is because they were made by so distinguished a person—then by 1980 the aggregate municipal debt of Canada for these purposes will have soared from its present approximate $4 billion to a figure somewhere in the range of $20 billion to $25 billion. Even if it is only half this figure it will be a staggering amount; in fact, so staggering that any further consideration of it on my humble part would be superfluous.

May I say that I hope the minister will assure us that emphasis and priority will be placed on loans to areas with high unemployment. This to my mind is the only formula that would be proper, the only formula that would fulfil the much heralded Liberal promise and the only formula which would in any way do what the resolution says it will do, that is try to meet the unemployment problem. If this is the yardstick the minister proposes—that is, the yardstick of area and regional help to try to solve unemployment—and if the capital funds are not swallowed up entirely by the great metropolises of Canada, then I suggest the legislation will be beneficial to Canadians. But without that assurance I will have to reserve judgment as to how I will vote on the resolution and the bill.

(Translation):

Mr. Martineau: Mr. Chairman, first of all, as this is the first time I have the opportunity of addressing you since you have occupied the position of chairman, I hope you will bear me no grudge if, as a former colleague at the University of Ottawa, I express all the satisfaction your appointment gave me, as well as your many friends.

I wish you great success in the discharge of your responsibilities, which you are already doing with so much distinction and competence.

I would also like to take this opportunity to ask the Minister of Finance (Mr. Gordon), who introduced the resolution, a few questions. He tried to justify its usefulness by stating that this was a remedy, and one of the main remedies, which the government had to offer to reduce unemployment, i.e. a palliative against unemployment, but I wonder if the end actually justifies the means.

Does not the project basically encroach upon provincial jurisdiction, even if the provinces give their nominal agreement? With regard to this matter, what guarantees does the minister give us? None, so to speak, and the Prime Minister (Mr. Pearson) does not give any either, if we consider the very weak answer he gave the Leader of the Opposition (Mr. Diefenbaker), this afternoon, when he suggested that he would convene a federal-provincial conference on the matter. Now, Mr. Chairman, we do not even know if there has been any consultation with the provinces in this respect.

Have there been any discussions on this matter? Has there been any exchange of correspondence between the central government, that is the Minister of Finance, or some of his colleagues, or even the Prime Minister, and the heads of provincial governments?

Does the minister really intend to table in the house the correspondence putting forward views on the project which is now before the committee? And if there has been consultation, did it have any bearing on amendments to be made to the municipal code, in other words, the cities and towns act of the province of Quebec, to enable the municipalities, which I trust everybody in this house will agree, are subservient to the provinces, owe their existence to the provincial government which created them in such a way that, in any respect, they come under provincial jurisdiction.

For instance, was any consideration given to the borrowing capacity of municipalities, because unless I am mistaken, there are in the municipal code provisions on the borrowing power of municipalities and if we changed those today, we would adopt an act which would unilaterally modify the borrowing capacity of municipal governments.

This, in my opinion, is an important aspect of this legislation.

Was the additional burden for the municipalities considered, a burden the municipalities will have to face as they will have to repay both principal and interests on municipal loans, and this will also affect the taxpayers?

Perhaps the minister is prepared to go along with debt free money, which he recommended here not so long ago, I would even say with some vigour, in this house, but this afternoon he observed a cautious silence on that point.

However, we are entitled to a frank and clear statement from the hon. minister on this matter, so that we may know whether or not he is actually in favour of debt free money. Well, that is his business, the government's business, but he should at least have the courage to tell the house or the committee, in order that hon. members may be fully informed on this resolution and cast their votes accordingly.

I wonder, Mr. Chairman, if Mr. Lesage, the premier of the province of Quebec, has been consulted in this matter, and if so, what was his answer? Did he, for instance, give the Prime Minister of Canada the same answer as he gave on April 4 to the leader of the opposition, in the Quebec legislature?

That is what Mr. Lesage said on that occasion, as reported in *Le Devoir* of April 5 last. I shall quote his words to the committee, in order to clear up this argument which I am referring to. Mr. Johnson asked Mr. Lesage what he thought of the speech made the day before, in Montreal, by the present head of the government, the Prime Minister, Mr. Pearson, who was trying at that time, to get votes as leader of the opposition, and to carry favour with the Quebec voters. Mr. Pearson had mentioned federal aid, with regard to sewers and water mains for the municipalities. And Mr. Lesage answered—I want to call the attention of hon. gentlemen opposite to this answer, because I consider it very revealing—as follows:

I do not know in the slightest—

So he stated—

—what Mr. Pearson may have said about sewers and water mains, and I do not care—

Those are strong words.

—and I do not care whatever he may have said. The important thing is not what he may have said on this matter or another, but that we, here, are forming a strictly autonomist government—

That is what my hon. fellow members opposite should keep in mind.

Whatever the result of the elections on April 8 will be, we shall continue to support and uphold the rights of the province of Quebec, as the minister of municipal affairs did so well.

That is what Mr. Lesage said.

He was speaking, at that time, of Mr. Laporte, provincial minister of municipal affairs.

Mr. Laporte had, indeed, been most categorical in pointing out the danger of federal encroachment on municipal affairs when addressing the Montreal chamber of commerce. He was not the only one to do so. Most of our hon. friends opposite, who are now sitting on the government benches, have done so on various occasions.

Indeed, I defy any one of them, whoever he be, to tell this committee that their attitude had been different. I remember, for instance, some words spoken by the present Minister of Justice (Mr. Chevrier), when he was sitting on this side of the house, on October 29, 1962, and I quote:

During the whole election campaign, we tried to show the Canadian people how the municipal loan fund, if applied in the province of Quebec, would encroach upon its autonomy, as in all other provinces.

But the minister sticks to generalities and goes no further. He offers no explanation on how a Liberal government would proceed to comply with the autonomy of the provinces in that matter.

The Minister without Portfolio and the hon. member for Outremont-St. Jean (Mr. Lamontagne), author of an intriguing book on Canadian federalism, seemed at one time to have a well-timed repentance for his centralizing tendencies.

I remember in particular reading a report on a convention held in Quebec where he was chosen candidate for the Quebec East riding. At that time, exactly like his leader who had come to support his nomination, he frankly and clearly stated he was in favour of a withdrawal from joint programs.

Mr. Chairman, not only is there no question of withdrawing from those programs, but we are going further in that direction. I therefore ask the Minister of Finance (Mr. Gordon), the Minister without Portfolio (Mr. Lamontagne), the Minister of Justice and others to explain to members of this committee how you can withdraw from an over-all plan and, at the same time, go further in the same direction. After all, I think one must be consistent.

What is exactly the constitutional position? It is a well-known fact that in the past, the Liberal party, when in power, during that famous period of 22 years, interfered in various ways and with much impertinence in the provincial field, including the one concerning municipal activities and functions. Indeed, a recital of those facts would be tedious, Mr. Chairman.

However, section 92 of the constitution is quite clear and does provide for the rights of provincial states; it provides particularly that municipal institutions come under the exclusive jurisdiction of the provincial legislature. How could it be otherwise, when municipalities exist only through the provincial state which created them? That is an elementary principle which no one will oppose. Well, the government, in this legislation and in some other which was put on the order paper, now interferes in that field by proposing expenses to settle municipal problems. I am not even sure that this is a solution to municipal problems, but the interference is not less clear nor less flagrant. Last April, a few days before the election, the Minister without Portfolio was delivering an address to the students of the University of

Montreal, protesting that he was not a centralizer. He even denied the tendencies expressed in his book on federalism published in 1954.

Unfortunately, like many others, he is learning at his own expense that one must always weigh one's words. He should probably have become a notary. However, inadvertently or through lack of logic and while asserting his deep conviction as an autonomist, eager to respect provincial jurisdiction in all fields, and particularly in the municipal field, the Minister without Portfolio who was then candidate for the riding of Outremont-St. Jean, stated that he was in favour of granting loans to municipalities. Moreover, as everyone knows, that proposal was included in the platform of the Liberal party as published and disseminated in the recent electoral campaign.

But what do they mean when they say: "We will secure the agreement of the provinces"? To me, it means that the government realizes that it impinges through joint programs upon a field which lies outside its jurisdiction. As a matter of fact, it might be appropriate to mention what Mr. Laporte, the Quebec municipal affairs minister, stated on this matter. I quote:

> If the federal government, whichever party is in power, has money to spend for examination and solution of municipal problems, that money should rightly belong to the provincial authorities because they are the only ones to have any authority to deal with those problems.

Before he was elected a member, the hon. Minister without Portfolio said that his government would endeavour to implement legislative and fiscal decentralization, but now the government he belongs to goes back on those fine words and, which is worse, violates and even mocks a basic principle, under the cover of economic necessity, thus infringing upon provincial autonomy.

Mr. Laporte previously stated that his government would resist such an infringement and would insist on giving directly to the municipalities the amounts it wants them to have. This is undoubtedly the meaning of the ultimatum served by the premier of Quebec to the federal government.

Mr. Chairman, I do not understand too well why this government, by interfering further in a matter of purely provincial jurisdiction, chooses to ignore that ultimatum, and I wish that the Minister of Finance, who moved this resolution, would give us some positive reasons for that because we must know the facts if we want to pass judgment knowingly. Up to now, neither the Prime Minister nor the Minister of Finance, nor any other member of the cabinet has even attempted to explain what means would be used to maintain provincial autonomy in the field of municipal affairs.

Mr. Chairman, maybe I have dwelt a bit too long on this problem but I consider it a basic issue and I believe that at the very beginning of this new regime, the new administration must prove that they have principles, not only to make a show of them during the election campaign, but to implement them in the legislation they will submit to this house.

Mr. Chairman, in the light of the constitution, the laws of the province of Quebec, the civil and the municipal codes, in a word, all the provincial statutes, I submit that we are witnessing a glaring violation of provincial jurisdiction. That is why I say that this government will have to supply much more information than the vague assurance it has given us up to now to justify its draft measure. And such information must be given not only to the house, but primarily—and that is most important—to the people of this country and more particularly to the people of the province of Quebec which I am sure from the statements I just quoted do not intend to give away the minutest part of their rights in this field or in any other, which belongs to them.

Therefore, until the Minister of Finance or another government spokesman gives us that information and until we receive satisfactory answers, that proposal will only be, in my opinion, a Trojan horse, in short, a proposal that will have to be studied with care and mistrust.

I am sure that the motive that inspired this measure is commendable in so far as it brings a solution to unemployment. But why not give the provinces the money needed so that they can carry out those projects themselves? In so doing, we would respect not only the letter but also the spirit of the constitution.

So far, the Minister of Finance has told us that he intends to stay within the constitution, to respect the letter and spirit of it, but he has failed to convince us in that respect.

(Text):

Mr. Olson: Mr. Chairman, I have no hesitation in saying that when we saw this resolution on the order paper and listened to some of its aims and objectives we in this party thought we had at least some proposed

legislation which was going to do something about the tremendous rise in capital costs to the municipalities, about which my hon. friend from Royal spoke a few moments ago. As a matter of fact, I have some press clippings before me following the Prime Minister's speech to the federation of mayors and municipalities. I have a headline in the Toronto *Daily Star* which says: "$400 million is ready in loans to make jobs—Prime Minister". I have another in the Ottawa *Journal* for May 30 which says: "Come and get it, P.M. urges the mayors". The *Globe and Mail* has this headline: "Municipal lending terms will be generous—Mr. Pearson".

So, Mr. Chairman, we thought that this was going to be designed to help the municipal governments all over Canada with their problems of capital costs and so on. I have a press clipping from the Toronto *Daily Star* which says, in effect, that the Prime Minister's proposal to introduce a bill to set up a municipal development and loan fund was greeted by applause from the delegates to the annual meeting of the Canadian Federation of Mayors and Municipalities. Well, Mr. Chairman, I suggest that if those same delegates had been here this afternoon when the Minister of Finance outlined some of the conditions that were to be attached to the granting of these loans, they may not have applauded quite so loudly.

The minister began the introduction of this resolution by pointing out some of the aims and objectives of the legislation being introduced. Certainly, no hon. member from any corner of this house would disagree with some of those aims. He mentioned that the government was aware of the unemployment problem, and suggested that the municipalities could, in fact, stimulate employment more rapidly than any other level of government. I have no disagreement with this statement. I think it is true. He also claimed that this legislation would initiate action on deferred projects. He said that there was a problem in Canada in connection with deferred municipal projects that could be of beneficial use to the general public. At the same time, he pointed out that there were large groups of unemployed in the country, and this legislation would bring these two things together and help both of the problems. No one could disagree with that, Mr. Chairman; that is a very desirable end result.

The minister also suggested that this measure would provide funds immediately and activate those deferred projects. Well, up to this point, Mr. Chairman, we have no disagreement. We agree with the aims and objectives. Then, the minister dealt with the conditions that were going to be attached, and to the techniques to be used, in getting this money out to the municipalities so that they could make use of it. He said, of course, there would be forgiveness of a significant portion of the loan if certain conditions were met. One condition was that certain projects would be undertaken and completed by a certain date. He said that funds would be available only for additions to projects that were now under way. In other words, there would almost have to be an undertaking that the municipality had not previously considered, or at least had not initiated any action on it up to this point.

One other condition was that there was to be no interference with the ordinary financing of the municipalities, as they are doing it today. I suggest one of the major problems facing municipalities today is the tremendous capital costs and interest charges connected with the so-called ordinary financing. A number of references have been made during this debate to the fact that 30 per cent or 40 per cent of municipal budgets are being appropriated in order to pay interest on the debt the municipalities already have. We in this group had hoped that, finally, there was to be some action taken to relieve the municipalities of these tremendous charges for capital.

However, apparently the Minister of Finance is using this legislation as another means, if they want to call it that, of dealing with the unemployment problem. We do not disagree with that idea, that there is need for some action in respect of unemployment. But we also believe that this was an opportunity, and is an opportunity for that matter, to deal with the unemployment problem in the nation and at the same time relieve the municipalities of these tremendous debt charges which are becoming almost unbearable.

One of the other conditions to which the minister referred was that the rate of interest to be charged would be based on the federal government borrowing rate. The Minister of Finance is on record as being in favour of debt free money. I suggest to him that if he will apply this idea, that the charge to the municipalities will be equal to, or based upon, the federal government borrowing rate and then sell the bonds that are necessary to raise this $400 million to the Bank of Canada we would, in fact, achieve a lowering of the interest rate and pass on some very beneficial savings to the municipalities. The minister is in favour of this process, so I urge that he implement this idea, carry on with this technique, for obtaining the funds that are so badly needed to stimulate employment and help the municipalities with their deferred projects.

Then, Mr. Chairman, the minister moved on to the administrative aspects of this legislation. He suggested that the board be set up in conjunction with Central Mortgage and Housing Corporation. I have no disagreement with this suggestion, except perhaps to concur in some of the objections that have been raised by the hon. member for Pontiac-Temiscamingue. He said that if this is done there is a very grave danger of these people trying to deal directly with the municipalities. I agree with that. The relationship between the municipalities and the provinces is not the same as the relationship between the provinces and the federal government. Furthermore, the federal government really has no constitutional right to deal directly with the municipalities.

Mr. Woolliams: The municipalities in Alberta are pretty heavily in debt.

Mr. Olson: Yes, I am coming to that. I am glad you brought that up. I should like to outline for a few minutes the set-up in the province of Alberta which has proven so beneficial to the municipalities. As a matter of fact, I suggest that if all the provinces in Canada had a similar arrangement between the provincial government and municipalities as the one that exists in Alberta, many of the objections that have been raised by the hon. member for Pontiac-Temiscamingue simply would not apply.

Mr. Woolliams: You do not really believe that do you?

Mr. Olson: For example, back in the early 50's the province of Alberta set up a municipal revolving fund to encourage municipalities to put in sewerage and water systems, and so on. Loans were made to municipalities at 2 per cent interest under what was called revolving self-liquidating loans. For a number of years the surpluses of the treasury of Alberta were sufficient to supply all the funds that were required under this measure to meet the demands of the municipalities for putting in sewerage systems, water systems and many other projects. I might say that this measure was so successful that almost all the towns and villages, somewhere around 98 per cent, with a population of over 100 have water and sewerage systems. As a matter of fact, in many cases after these projects were carried out unconditional grants were made by the province to the municipalities sufficient to cover the cost of repaying both the principal and the interest. But the other important feature of this kind of assistance to the municipalities is that the payments of both principal and interest go back into the fund so that the money can be used over and over again.

However, by about 1958 the demands from the municipalities were in excess of the amount of money that the province itself could put into the fund, and so a municipal finance corporation was set up. Under this arrangement the province borrows in lump sums all of the money that is required by all of the municipalities in the province of Alberta, and by doing so the province obtains this money at a substantially better rate of interest than if the municipalities had to go into the money market individually.

I should like to suggest to the Minister of Finance that here you have a tailor made scheme already in operation. The administrative requirements for what is probably anticipated in this resolution are already set up, so far as the province of Alberta is concerned. There will be no interference with provincial rights if the government will deal with the municipal finance corporation. On the other hand, if you set up another board, whether or not it is in conjunction with C.M.H.C., and try to deal directly with the municipalities I think you will run into some constitutional problems and perhaps bring about some disagreement with the province that really is not necessary.

Another point in the resolution now before us is that all of this money will be granted only if it is for programs in addition to those that are already taken care of by means of the usual and ordinary financing of programs that municipalities have been doing in the past. In dealing with the exemptions, the minister ruled out such things as hospitals, sewerage systems, capital needs for education, which I suppose means school buildings and all of the other facilities that are required for education. By these exemptions I think he took away at least half of the capital responsibilities of the municipalities.

What do we have left? We have streets and maybe some other local improvements. But what do you do in a case where a municipality thinks that expanding, improving and modernizing its educational facilities happens to be the most important project needed for that area? What if they are not willing to borrow money outside of the exemptions, with the strings that will be attached to it? I think there is a very real possibility that we will find situations where the municipal boards themselves feel that the modernizing of hospitals or educational facilities is paramount in their requirements. But if they are going to benefit from this legislation and stimulate employment, they will have to become involved in projects that are not as important. So, Mr. Chairman, I urge the minister to reconsider

some of these exemptions because I think there is a valid need to be a little less stringent in this regard.

I am more familiar, of course, with the province of Alberta than any other province, but I know that in all the other provinces as well there are bodies under the provincial governments that have a certain amount of control over municipalities within those provinces. I think most of them have regulations respecting the maximum amount of debt that a municipality can incur. Therefore I think that with respect to those provinces which do not already have a central borrowing agency, such as the municipal finance corporation of Alberta, it would be well for the Minister of Finance to encourage those provinces to set up some such body so that the most effective use can be made of whatever money is available and so that this can be done without getting into controversy with the provincial authorities.

Finally, I wish to repeat that we believe this resolution and the legislation to follow could provide an opportunity for the federal government to do something in a very positive way to relieve the municipalities of the tremendous debt charges that are becoming almost unbearable. I know we all realize that currency and credit are under the exclusive jurisdiction of the federal government, and it is here that the government has authority to make changes in the monetary and fiscal system of the country. If we look into the future and take into consideration some of the figures that the minister himself projected before he was in the office he now holds, it is almost alarming when one realizes the tremendous debt service charges that are going to be piled upon municipal governments in the years to come. Certainly it seems to me that we should take full advantage of this opportunity to work out some kind of arrangement so that the capital requirements of the municipalities can be provided at a lower rate of interest.

Mr. Woolliams: I wonder whether the hon. member would answer a question. Would he agree that the municipal debt per capita in Alberta is one of the greatest debts per capita in any of the prairie provinces, in spite of Alberta's boast that it is a debt free province?

Mr. Olson: Mr. Chairman, I would be very happy to answer that question. One reason, of course, for the large municipal debt figure in the province of Alberta stems from the fact that water services, sewage treatment systems, sidewalks and so on have been proceeded with to a far greater extent than in any other place in Canada. I would also point out to the hon. member that something over $400 million of the municipal debt is owed directly to the provincial treasury, and really I do not think it is a very bad situation when you owe money to yourself.

An hon. Member: Do you have to pay?

Mr. Olson: You pay it into the revolving fund so that the money is there to be paid out time and time again. It can be used over and over again for the extension of municipal services. The great advantage of it is that all of the capital repayments plus all of the interest charges go back into the fund so that the money can be used over and over again. As I said, it is really not a very bad situation when you owe the money to yourself.

Mr. Garland: Mr. Chairman, it is with some genuine satisfaction I rise to take part briefly in this debate and to commend the proposed legislation to the committee. The principle of the proposed legislation and its significance to our cities and towns have been described so ably by my colleague, the Minister of Finance, that my words may perhaps seem unnecessary. Nevertheless, I have more than an academic interest in the municipal development and loan act. It has already been made clear that, if and when the bill is passed, its various provisions will be implemented through established facilities of the Central Mortgage and Housing Corporation. As the minister responsible for the operations of the corporation I too will have a task to perform.

I am very happy with this turn of events. It seems to me the proposals being introduced today, together with certain amendments to the National Housing Act, I hope also to be given your early consideration, constitute a vigorous, two-pronged attack on some of the growth problems of our municipalities. Together they will answer an urgent need to boost the economy and to provide substantially increased employment.

I need hardly remind the committee that many Canadian cities are in a period of increased expansion. For better or for worse, therefore, important planning decisions are constantly being made by governments, institutions, firms and individuals. The nature and character of our living environment now and in the future, will reflect the wisdom of these decisions, in both small and large urban areas. Surely it is obvious that no area of public policy has a more lasting and pervasive effect on our well-being than the orderly, comprehensive development of our urban environment.

Our course of action then is clear. We must take positive, dynamic steps to improve our whole habitat, steps that will afford—at the same time and in one stroke—new impetus to the economy and more jobs for our people.

Municipal Development and Loan Board

I submit the municipal development and loan act and the amended National Housing Act to be introduced, taken together and operating in concert, can and will achieve these ends. For some years from the opposition benches I have sought and asked that the fullest consideration be given by the federal government to measures of this kind. I am now happy to be associated with such presentations to parliament for action.

In certain conditions, and these conditions certainly are with us today, the addition by the federal government of capital funds to the stream of resources available for proper urban growth, is a practical, desirable, forward-looking act. It is my opinion that the action is even more desirable when the funds are used for the highest and best social and economic purposes.

By this I do not wish for a moment to decry government investments for other purposes. They too are invariably imperative. They too give a fillip to the national economy and to the level of employment. But, are there not important advantages to be gained by earmarking more national investments for vital municipal projects that would not otherwise go forward. It is my feeling that, as a supplement to local capital expenditures already committed, and to provincial assistance to municipalities, such funds so invested will have a much more solid impact on growth and development and on expanded work opportunities. At the same time we will be helping our urban communities, large and small, to provide the services they so urgently require, encouraging them also to plan for the future with greater effect, and thereby creating a new and improved environment for our own and future generations.

That is what I mean by the highest and best purposes. I suggest that, viewed in this light, we can bring forward, with enthusiasm, this among the other legislative instruments proposed in the speech from the throne.

There will be those who ask bluntly; how many new jobs? I am not going to try my hand as a forecaster. I believe any such guess would be difficult because of the varied and almost incalculable effects that follow improvements in social capital, but I do draw the attention of committee members to one or two significant statistics.

Private and public expenditures on new construction are estimated for 1963 at $6,060 million. Forecast capital expenditures by all municipalities at $865 million represent more than 14 per cent of the total. I suggest it follows that the added incentives to municipalities proposed by my colleague, particularly if taken in conjunction with the N.H.A. amendments to which I have already referred, may call for a re-assessment of these figures.

There are those who are concerned about the constitutional aspects. Indeed the question has already quite properly been asked in the house. I need hardly repeat the assurance given by the Prime Minister recently during his address to the annual conference of the Canadian Federation of Mayors and Municipalities. He said, you will recall, that only those projects approved by the province concerned will qualify for loans, and in turn, for a partial rebate of the debt they incur. He also made it clear the proposed federal assistance "will not take away one shred of local autonomy."

May I conclude by saying that when the proposed legislation becomes law, I and the personnel, facilities and services of the Central Mortgage and Housing Corporation are ready to implement a program of undeniable benefit, not only to Canada's municipalities now being cast in new moulds, but to the whole design and fabric of the nation itself.

Mr. Martineau: Would the minister permit a question? He has referred to the constitutional aspects involved, and I was wondering if there has been any exchange of views between the government and the provinces.

Mr. Garland: Mr. Chairman, perhaps I should point out that this is legislation introduced by the Minister of Finance, and perhaps a question of that kind would be more properly directed to him.

Mr. Webster: Mr. Chairman, many hon. members, including a number of my colleagues in the New Democratic party, have had long experience in local government and are well aware of the problems to be faced. With the rapid increase in the growth of towns and cities since world war II there have been increasing demands on local authorities for more and better services. One has only to think of roads, sewers, water and lighting, as well as housing, health, education, recreation and planning. The demands are almost overwhelming.

One of the greatest difficulties is the confusion and indefiniteness that prevails regarding areas of responsibility. Local men are close at hand, and it is not surprising therefore that buck passing has become an accomplished art when capital cities are thousands of miles away from local areas. The provincial capitals and Ottawa have become the scapegoats of administrators on the local scene.

Clarification is needed among these three levels of government, and municipal authorities need broader bases of taxation. Land is no longer the sound criterion of ability to pay. Mr. Chairman, I would like to quote

from an editorial in the Toronto *Globe and Mail* of June 8 entitled "Whose hand in which pocket":

In Detroit representatives of Canadian municipalities discovered that many United States local governments have other sources of direct revenue than property or direct business taxes, such as personal income and sales taxes. Property owners in U.S. urban communities contribute only 46 per cent of the total tax revenue of cities, while in Canada they contribute more than 80 per cent.

There is a central theme to these various statements which has been sung in Canada of late. It is that in the ideal democratic community, each government, whether local, provincial or federal, has defined duties, defined sources of revenue, and accepts responsibility before the public for raising and spending its own taxes. If it errs the taxpayer knows precisely whom to blame.

In Canada this clear responsibility has become confused in a tremendously complicated jungle of grants, subsidies and hidden forms of taxation. The taxpayer does not know how much he pays in taxes or, in some cases, to which level of government he pays them. The politician, relieved of much direct responsibility for raising taxes, can, and often does, become correspondingly careless about the ways in which he spends them.

In the same issue, sir, there was an article entitled "B.C. professor backs new deal for Quebec". The article reads:

Donald V. Smiley, associate professor of political science at the University of British Columbia, said yesterday—

That is, he said this in a paper presented to the Canadian Political Science Association:

—the confederation agreement of 1867 should be revised to adapt it to the new needs and wants of all levels of government in 1963.

"From about the end of the first world war onward, Anglo-Canadians have come increasingly to look to Ottawa for leadership and money in respect to what are considered as worthy national purposes—

More recently, influential currents of thought and policy in Quebec have come to assert that an increasing range of autonomy in fiscal and economic matters is essential to the survival and expansion of French Canadian culture", he said.

Holding that Canadians must recognize that Quebec is not a province like the others, Dr. Smiley said that a reconciliation on constitutional problems is possible within the present federal framework.

"Its essential element would be a different sharing of legislative powers, revenue sources and functional responsibilities between Quebec and Ottawa than that which prevails between the federal government and those of the other provinces", he said.

Many areas will welcome the opportunity to borrow from this fund that we are now discussing if regulations regarding rates and requirements are attractive and clean-cut. If the means test is too demanding or too obscure, the most needy councils will bypass the federal offer. They will claim, and rightly so, that the uncontrolled sections of their budgets, resulting from previous borrowings, are already embarrassing and frustrating and leave them little room for manoeuvring or planning desirable improvements in their districts. To be of advantage to local governments the write-offs or payments to be forgiven must not be vague or uncertain. Municipalities must know where they stand in regard to all these matters.

The winter works program will be needed to supplement projects financed under the loan fund, but I do suggest to the Minister of Labour that he should examine very carefully the regulations having to do with the winter works program and that he should consider including not only labour costs as a legitimate charge in this connection but also charges for engineering, planning, equipment and machinery. I saw many constituencies and municipalities which had difficulty in the past year or two qualifying under the regulations of the winter works program because of the heavy cost of engineering and equipment. I urge that those costs be included as legitimate charges in this program.

All employing agencies, both public and private, have a social obligation to maintain employment at a high level. We are concerned at the moment with the responsibility of the public sector of our economy. It is a major factor in the employment picture. Every modern government that has a heart views chronic unemployment as a social disease that will be removed only by bold and far reaching decisions. Measures announced so far fall far short of meeting this need. However, hon. members of this house will hope that all three levels of government in this country will combine to assure a substantial improvement in the employment situation during 1963.

Mr. Smith: Mr. Chairman, this resolution and legislation have been introduced into this house with a great deal of fanfare. Indeed, it has been depicted as one of the keystones of government policy. The most recent unveiling of this legislation was in Toronto a few weeks ago when the Prime Minister spoke at the convention of mayors and reeves. A day or so after that meeting, when there had been time to digest the contents of the speech, in the *Telegram* of June 3 the municipal writer for that newspaper suggested that it was "the windfall that was not". If I could paraphrase that slightly and refer to the introduction of the resolution by the Minister of Finance this afternoon, I would say that "it was the windfull that was," because that is what it was. It must have been a great disappointment to all those people who so ardently believed in the so-called dynamism of the new Liberal party. It was even a disappointment to me. I did not expect much, but I thought this resolution would have a little imagination and this bill would contain something new. For me

the only reassuring feature was the assurance of the Minister of Finance that there would not be any interference with those programs of the Conservative government that have worked so well. I refer to the winter works program, the sewerage loans, the program of university building loans, and so on. I am grateful that they are not going to be interfered with.

Going back and speaking of imagination, I find that as I grow older, Mr. Chairman, I need glasses to read my notes. But this is not an unmixed blessing, because it makes the government appear a little fuzzy to me, and that is what their policy is to everyone in Canada. I know that the government does not worry about debt free money, because they voted for it last winter. They are very much worried about preserving and restoring provincial autonomy. They have talked about it and talked about it, and they are going to set up royal commissions to do it. I know, too, from today's *Globe and Mail* which contains an ancient quote that the Minister of Finance is worried that our level of taxation will drive wealthy people from Canada. Of course, we know other things too. What surprises me, Mr. Chairman, is that with all this knowledge they did not do something very imaginative to keep the rich people in Canada, to preserve provincial autonomy and to provide debt free money. Why did they not try something new and original? Why did they not follow the United States pattern and perhaps introduce tax free municipal debentures for approved purposes? They promised all sorts of imaginative things and they came up with nothing but a humdrum old rehash.

There are some questions, Mr. Chairman, that would occur to anyone who listened to the speech of the Minister of Finance this afternoon. He said that a certain portion of these loans is to be forgiven. I would like to know, does the municipality for the 20 years pay interest on the whole amount of the debentures, or is it forgiven whatever portion is to be forgiven at the beginning? Do they only pay interest on the unforgivable portion, as it were? That is a question I hope the Minister of Finance will answer. A careless listener this afternoon might have thought that 25 per cent of the loan was to be forgiven. I think that even the government will agree with me that only 16⅔ per cent is to be forgiven and the municipalities are still going to be responsible for raising 83⅓ per cent of the money.

A word was used which made me curious. The Minister of Finance said this plan is to "dovetail" with other plans. Just what does that mean? Does it mean that a municipal plan which comes under the winter works program will qualify for a write-off under this scheme, in addition to grants under the municipal winter works program, or will it be excluded? If the work is carried out in the winter time, does that mean it will not be eligible under this latest measure? The minister also suggested that projects which were assisted at the present time by federal or provincial schemes would be excluded. Well, to take the situation in the province of Ontario, it seems to me that many of the main projects which are badly needed and which have a substantial labour content will be excluded. I am thinking of schools, sewers and sewage works, hospitals and homes for the aged. Are these all to be excluded? If they are, what is left? We are left with sidewalks, and I can assure hon. members that in the city of Barrie they would have a hard time building a sidewalk between the months of November and March.

An hon. Member: You roll them up.

Mr. Smith: We don't roll them up; we put snow on them. Of course, we could build town halls, but most of these were built between 60 and 100 years ago and have been renovated in the past year or so under the Conservative government's winter works scheme; so the market for town halls is going to be limited. Then there are jails. I do not know how many of these would be needed. In the small city of Barrie there is one project which I hope will qualify under this program if the rates are right. We need a substantial addition to our library, and I trust that when the bill is introduced it will not be found that libraries are excluded from its benefits.

One of the earlier speakers talked about expressways through cities and suggested that cities would benefit through being able to build expressways. In Ontario, the provincial government makes a substantial grant toward the building of connecting highway links through municipalities. When a highway runs through a town or a city, the province assumes a substantial portion of the cost of construction. Will these projects be excluded from assistance under the program now proposed because the province participates financially?

The avowed purpose of this scheme is to provide employment, and everyone hopes it will do so. We hope it will provide employment in substantial quantities, particularly in winter. However, it seems to me that in introducing the resolution the minister put so many qualifications and hedges about it that it will not bring about these very laudable purposes. As a matter of fact, the resolution as introduced could perhaps best be described as niggardly in relation to providing against unemployment. Of course, it does not meet

the larger problem at all. I have in mind the question of the tax relationship between municipal, provincial and federal levels of government. Surely, if there is one problem which is disturbing confederation today, it is the one which has as its basis the financial relationship between the various levels of government. It would seem to me that if the intentions of the government were sincere this would have been a good place at which to begin tackling this question. It is no answer at all to provide another conditional grant—and that is all we are doing; we are providing another conditional grant which is hedged about with restrictions to an even greater degree than are most such grants. A few years ago, Ontario at least attempted to meet this problem head on by providing a per capita grant unconditionally to all the municipalities in the province. That was a direct attack on the system of government grants destroying municipal autonomy. But nothing at all has been said or done in this direction in the resolution now before us.

Nevertheless, while this is only a small crumb from the table, one can support the resolution, or one hopes one can support it, though with a substantial degree of misgiving.

Mr. Prittie: Some of the previous speakers from the Conservative party and the Social Credit party have made a great deal of the constitutional question involved when the federal government enters into any kind of relationship with the municipalities. I think they are over-emphasizing this point. There is no great problem here. This matter has already arisen with regard to the winter works program, and in the section of the National Housing Act which provides for sewer lines, so I do not think there should be any particular problem in this direction. Moreover, the resolution states clearly that, in order to qualify, projects must meet with the approval of the province concerned.

I recall that during the election campaign the Liberal party stated that in order to bring about full employment and prosperity in Canada, both long term and short term measures were needed. The long term measures presumably include the setting up of bodies such as the economic council and the proposed department of industry. Spokesmen for the Conservative party stated, I think rightly, that it might be some time before the effects of such measures were felt. They also said that certain short term measures were necessary in order to provide work for the large numbers of people who were unemployed. The Minister of Finance recognized this need and mentioned it this afternoon, stating that the level of unemployment had been running at an average of 6.6 per cent in the last few years. He also recognized the needs of the municipalities, saying there was a backlog of capital works to be carried out.

I should like to submit that the proposed loan board and the amount of money suggested will not achieve satisfactorily the purposes the minister has in mind. Four hundred million dollars spread over three years will do some good; any aid to the municipalities will be appreciated, I am sure of that. Even the winter works program of the last few years, small as it was, did help. But if the government wishes to tackle the outstanding needs of the urban areas and if the minister really wishes to come to grips with the serious level of unemployment, the amount of money proposed here will not do the job. By way of illustration, the money provided in connection with the sewer loans amounts to $200 million over three years. Most of this is allocated at the present time. So I suggest that $400 million for all the municipalities of Canada over three years will not be very successful in coping with the situation.

I was sorry to hear the minister say that various types of public works are to be excluded from the benefits of this legislation. Hospitals are to be excluded, he says, because there is already some legislation which covers them. Schools are not to be included; sewers are not to be included, because provision is made for them under the terms of N.H.A. at the present time. I would add that only certain types of sewage works are included among the present N.H.A. legislation, which tends to concentrate on trunk lines. There is not much help for the general lateral lines serving the residential areas. So that if you take into account these exclusions, I think we have left the question of the roads, which is quite a big problem, and I think the city of Ottawa can probably use $50 million of that itself. There are also the sidewalks and possibly public buildings such as city halls and libraries. I think it would be of much more value if the lines could be widened, particularly the installation of sewer services, which is most expensive.

However, Mr. Chairman, the main point I am trying to make tonight, and it will not take very long to make it, is this. If the government intends to give the economy a shot in the arm to try to relieve unemployment quickly, they are thinking in terms of amounts too small for that purpose. I am sure that among government advisers both in parliament and outside there must be people who hold the same general economic views which are held by Dr. Samuelson of the Massachusetts Institute of Technology and economic adviser to President Kennedy, views held by many Canadian economists. I am sure the Minister of Finance is aware of those views. The amount of money necessary, even

though large deficits would be incurred, is much greater than that proposed through the new loan board. As the legislation stands at the present time it will fail in the two purposes it has in mind. It will not do very much to get at the long deferred projects of our cities and municipalities, and it will not make that much difference to unemployment. I should like to think that the government will take another look at this and decide that the $400 million should be applied within a 12 or 18 month period instead of over a period of three years. To conclude, Mr. Chairman, any help which is given to the municipalities is welcome, but I submit that this measure will fail in its main purpose, which is to try to improve employment in Canada.

(Translation):

Mr. Paul: Mr. Chairman, we in this chamber have all heard about the famous 60 days of decision of the present government.

Some hon. Members: Hear, hear.

Mr. Paul: What appals me the most is to see the hon. members opposite applauding. What are they cheering about? What has the Liberal party done since it came to power?

On the evening of the fifty fourth day, we have witnessed a shameful attempt by the present government to violate the Canadian constitution.

This afternoon, the Minister of Finance (Mr. Gordon) has explained the resolution now under study. According to him, that measure should be more than effective in dealing with unemployment. We all want to see the Canadian economy move forward and one can wonder if that measure, outside its constitutional aspect, really offers an effective remedy to the worsening unemployment situation in our country.

Up to now, it has been impossible to know whether the provinces have been consulted in regard to the act proposed in the resolution under study.

On May 20, 1963, the hon. member for Brome-Missisquoi (Mr. Grafftey) asked the Minister of Justice whether he had consulted the provinces about this measure. As can be seen on page 38 of the official report, the Minister of Justice replied in these words:

> Mr. Speaker, I am aware of no communication such as the one mentioned by the hon. member.

Mr. Chairman, will a member of the cabinet inform the committee of preliminary consultations which might have been entered upon between the provincial and federal authorities.

Someone may reply: We do not have to consult the provinces. We would then witness an attempt to transgress the Canadian constitution as glaring as the one made by Messrs. St. Laurent and King when they were prime ministers.

Mr. Chairman, we must stop and ask ourselves under what power the present government intends to legislate in a field under the exclusive jurisdiction of the provinces, since paragraph 8 of section 92 of the British North America Act says clearly that the provinces have exclusive jurisdiction over the field of municipal legislation.

The present government asks us to pass a resolution that could unbalance existing legislation, especially in the province of Quebec. I do not know the municipal legislation systems of the other provinces, but in the province of Quebec, municipalities are governed by two special acts. First there is the cities and towns act, and then the municipal code which governs rural municipalities, township or parish municipalities. Those acts provide means of borrowing that are available to municipalities in order to carry out work under their jurisdiction. On the other hand, the proposal under study ignores legislative provisions, administrative rights that belong exclusively to the provinces.

Mr. Chairman, if we consider the resolution we read this:

> That it is expedient to introduce a measure to promote increased employment in Canada by the provision of financial assistance by way of loans to municipalities—

Now if the primary purpose of the measure is to assist municipalities, and if the central government really wants to help the provinces, the Minister of Finance should allow the provinces to make a further deduction of 2 or 3 per cent on personal and corporate income taxes, which would result in an increase in the revenues of the provinces that would enable them to assist municipalities in the carrying out of their projects. By doing that, we would respect the Canadian constitution and we would not interfere with the rights of the provinces, as suggested by this resolution.

Under existing provincial legislation, municipalities wishing to borrow money must go on the market and ask for the required loan through the official gazette of Quebec. The organizations interested must tender in regard to the loans to municipalities and send their tenders to the municipalities within the period allowed previously in the regulations and stipulated in the notice.

Therefore, in order to comply with the provisions of existing municipal bylaws in the province of Quebec, the federal govern-

ment should normally have to tender for loans to the municipalities of the province.

This is altogether inconsistent and illegal at the same time, because the federal government can in no way interfere with municipal administration.

The Minister of Finance said this afternoon that this legislation provides for a fund of $400 million to be made available to the C.M.H.C. and which will be administered by a board.

The board may well adopt administrative regulations or measures that would contradict the provisions of existing legislation in all provinces.

If such a thing happened, which legislation would have priority, the provincial laws concerning municipalities or the adminstrative regulations of the board?

Mr. Speaker, I respectfully submit that this resolution is dangerous and, as long as members of this house are not clearly informed as to any previous consultation with the provinces, we have no right to approve such an obvious interference of the federal government in a field of exclusive provincial jurisdiction.

If Ottawa truly wishes to help solve the unemployment problem, it can do so without violating the constitution and section 92 of the B.N.A. Act.

Furthermore, even if this legislation were constitutional, there is a strong possibility that it will benefit only the large metropolitan areas, because I do not feel that small municipalities will benefit from it. In my opinion, taxpayers will have to share in repaying the loans raised to carry out the work. Municipal councils will be forced to increase property taxes or to collect a special tax in order to meet their obligations when the loans fall due.

Where will the government borrow those $400 million it is ready to contribute? Let us hope that the Minister of Finance (Mr. Gordon) in his budget speech next Thursday night will throw some light on this subject. The government will have to levy direct or indirect taxes in order to repay those loans obtained on the money market. However, it is again the Canadian taxpayer who will have to bear the burden resulting from the implementation of this act.

Mr. Chairman, the members from Quebec in this house would be interested to know whether Premier Lesage has been consulted. The Minister of National Revenue (Mr. Garland) stated earlier that only the projects approved by the proper authorities would be granted the loans requested, and only after municipalities applied to the board.

It is essential to know, in addition, whether the province—in this case the province of Quebec—has been consulted on the passage of this legislation.

If the province has not been consulted, I wonder by what right we could approve this resolution. And if the province has been consulted, can we be sure that the existing legislation will be amended so that it would be in line with the wording of the act that will follow the adoption of this resolution?

Would it not be a good thing to ask the present government, which seems quite willing to help the provinces, to yield to the provinces the right to levy taxes strongly claimed by the premier of the province of Quebec, Mr. Jean Lesage? If the government has money it intends to hand back to municipalities, it is because it realizes that money belongs to the provinces. And the attitude taken by Quebec's premier is perfectly logical under the circumstances. I wonder how our hon. friends opposite, the members from the province of Quebec, will manage to support that resolution, when the premier of the province of Quebec, who backed them up in the last election campaign, has presented the federal government—whichever it was to be—with an ultimatum for the granting to the province of Quebec of 25 per cent of the personal income tax to be levied and 100 per cent of the succession duties.

Well, my Liberal friends from the province of Quebec, will you be following the policy of centralization implied in that resolution or be in favour of the autonomy advocated and claimed by the premier of Quebec? It will be interesting to watch the stunts performed by the hon. members to justify themselves as well as the stand they will take toward the resolution now before us.

I respectfully submit that we have to analyse this country's economic situation. We must give assistance to municipalities, but here again we must abide by the constitution.

There must be no infringement upon the autonomy of municipalities, no take-over. On the contrary, a way must be found to help municipalities, with all due respect for the constitution, thus furthering economic pros-

perity and at last finding a solution to the unemployment problem. But what is much more important, Mr. Chairman, is to respect the Canadian constitution. And we shall see to it that the provinces do not lose an inch of their autonomy in the field of taxation, as we took it upon ourselves to do while studying the resolution now before us.

I suggest that we must, before final passage of this bill, obtain from the minister all the required information. We would like to know whether the provinces have been consulted. This is the cornerstone upon which the present legislation must be built because otherwise we are not entitled to go further in our study of this resolution as it would interfere with provincial autonomy.

We must consider this legislation seriously in the light of the information which could be provided by the Minister of Finance or the Minister of Justice, the hon. member for Laurier (Mr. Chevrier) who, everyone knows is the spokesman for the province of Quebec. He will probably be able to enlighten his colleagues who sit on your right, Mr. Chairman, and at the same time the members sitting on your left. It will be necessary to put partisanship aside so that the Canadian constitution be respected.

I am quite sure that the hon. member for Quebec South (Mr. Cantin) will bring enough pressure to bear on members of the cabinet for us to get the information we need before we are called upon to decide on the advisability of this legislation.

Thus, we will be in a position to decide how we should vote on this bill.

Mr. Gauthier: Mr. Chairman, since this is the first time you have been in the chair when I am on my feet, I take this opportunity to congratulate you on your appointment.

We are now wondering a lot about their proposed financial assistance to municipalities in the form of loans to reduce unemployment.

We are very happy that this resolution was submitted, but it remains to be seen whether we will be as pleased with the administration of the act.

First of all, we find there some of the ideas advocated for several years by our group about a municipal development bank. Even though that name is not given to the new organization, we hope that this was the minister's idea in moving this resolution.

[Mr. Paul.]

Otherwise, we should be forced to agree with those who have doubts as to infringement of provincial jurisdiction.

If the minister wants to feed his $400 million fund which he needs to carry out this plan in the same way as the other parties do, there is no doubt that he will encroach upon provincial autonomy. As a matter of fact, he will have to delve deeply in the taxpayer's pocket and get three times as much as he will be able to pay out to the unemployed. Mind you, on the basis of what the Liberals said during the last election campaign, when speaking about the Social Credit, whenever the government gives you a dollar, it has levied three from the taxpayer.

Under the circumstances, Mr. Chairman, the provinces should have the right to levy their own taxes; they are now old enough to set up their own taxes; they hardly need to be shown the trick by the federal government.

Let us start by leaving the provinces their revenues. And you will be surprised to find that there are among those provincial legislators, men who are quite as qualified as the federal ones to spend their revenue in a judicious way.

The great principle to the effect that a right is attached to every duty is still true. If the municipalities have the obligation and the power, much more so than the federal government, to carry out such duty, if it is their duty to create a climate favourable to the development of their area, then the central government cannot take away from them the rights that are necessary to the fulfilment of their duty.

There is no end to recriminations about everything going wrong in Canada! Why? Because no one, beginning with the central government, is playing his own part. Because the strong still seek to displace the weak.

Do you not think we are going back to the law of the jungle? Everybody wants to interfere with other people's business and at the same time neglects his own business. While the provinces urge the central government to give them back the sources of income they had lent it when danger threatened, that same government, grateful as a lion, does not want to give back anything to those who came to his help. Far from giving them back their old taxation powers, the government does the utmost every day to find new devices to restrict a little more their freedom of action before choking them for good.

On the other hand, the provinces play the same game with the municipalities and school boards which they will control within a few years.

School boards are in urgent need of money; municipalities also need money. The provinces are hard put to find new sources of revenue. And, in the meantime, the central government takes over all the fields of taxation. The federal government grabs almost all the revenue in the country and then the funds are administered by a bureaucracy over which that same government has no control. And, in order to hide that inability, new boards, commissions and departments are set up. I feel that, under present conditions, we might as well grant the provinces what they want and give them back their whole taxation rights. Then they would solve themselves their own unemployment problem. But if the minister must set up a $400 million fund through the Bank of Canada, then there is nothing more to fear for provincial autonomy. Because this government will then simply authorize the Bank of Canada to place the said amount at the disposal of municipalities. Each municipality will be absolutely free in its operations, since each one of them knows best the projects to be carried out in the area and is in the best position to determine who needs work.

Thus, this government agency, the Bank of Canada, for once will play its real part, which is to create the necessary credit to promote the development of municipalities and, by doing that, to give jobs to the unemployed.

I think that, in so doing, the minister will serve the purpose he has set for himself, while protecting at the same time the autonomy of one and all provinces.

(Text):

Mr. Pickersgill: Mr. Chairman, I was wondering whether hon. members would object to going on for a very few minutes this evening so hon. members could see the bill and debate the bill itself. It would be a great convenience to the government if we could have the bill read the first time, particularly when the Minister of Finance has to be elsewhere tomorrow.

Mr. Pigeon: I call it ten o'clock, Mr. Chairman.

Progress reported.

Business of the House

BUSINESS OF THE HOUSE

Mr. Nowlan: Will the house leader tell the house what we will be doing tomorrow?

Mr. Pickersgill: I regret very much that we cannot go on with this particular measure we have been debating today because the Minister of Finance, for quite obvious reasons, has to be elsewhere tomorrow. That was one reason why I was very hopeful that this measure, which is calculated to provide employment, could have been advanced one stage today. However, the committee did not wish to do that and we are in the hands of the house.

Tomorrow we will hope to complete the resolution on the department of industry and get the bill read the first time. If we should get first reading of the bill tomorrow we will then go on with the second reading of that bill on Thursday up until five o'clock. After that, of course, we have the hour for private members and then the budget. I understand that hon. gentlemen opposite prefer not to begin the budget debate on Friday. For that reason we will go on with these other economic measures on Friday, but I think we will have to see what progress is made tomorrow and Thursday afternoon before I will be able to forecast with any accuracy what would be done on Friday.

Now, in the event that tomorrow we conclude promptly the resolution stage on the department of industry bill, we would begin the resolution stage on the department of agriculture measure.

Mr. Nowlan: Mr. Speaker, I trust there is no misunderstanding about Friday. We have been told the budget will be brought down on Thursday night, and we are not going to have the budget debate on Friday. Usually the budget comes in on a Tuesday and about a week elapses between the time the budget is introduced and the debate ensues.

Mr. Gordon: What year are you talking about?

Mr. Pickersgill: Some years we did not have any.

Mr. Nowlan: That is all right; whether we had one or not, you are not going to have a budget debate on Friday and you cannot have one on Monday unless you get the unanimous consent of the house to that effect, because I have gone over the debates for the past seven years and no debate on a budget followed within two days of its introduction. I want it clearly understood that you are not going to have a budget debate on Friday.

Mr. Pickersgill: I think the hon. gentleman is exercising himself unnecessarily because I have already said we would not have it

on Friday, and I have already said we were going on with other economic measures on Friday. I think the hon. gentleman did not understand what I was saying. I think it is perfectly clear, and I am sure all other hon. members would agree. But, there is one point I would like to make and I am glad the former minister of finance, who never brought down a budget, brought this to my attention.

Mr. Nowlan: I won't have anything to apologize for then.

Mr. Pickersgill: It is possible that there will be some time between the conclusion of the speech of my hon. friend, the Minister of Finance on Thursday evening and ten o'clock, and the government would hope to use that time for the deliberations of the house, and not to adjourn.

Mr. Denis: Never on Sunday, anyway.

It being five minutes after ten o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Wednesday, June 12, 1963

The house met at 2.30 p.m.

PRIVILEGE

MR. MACEACHEN—REFERENCE TO ANSWER TO QUESTION ON ORDER PAPER

Hon. A. J. MacEachen (Minister of Labour): Yesterday the hon. member for Medicine Hat raised a question of privilege in connection with a reply given on June 3 in the house by my parliamentary secretary to a question on the order paper. The question related to the cost of the operation of technical and vocational schools. The hon. member suggested that the answers received were in some way contradicted by the statement I made subsequently to the house on Monday last.

As I intimated yesterday, the suggestion that there is any contradiction between the answer given on June 3 and the statement made on Monday is groundless. The proposed amendments which I outlined in my statement on Monday last do not include any change in the federal share of the cost of operating technical and vocational schools. Thus there is no contradiction at all between the two statements.

PUBLIC SERVICE

GLASSCO COMMISSION FINAL REPORT—BILINGUALISM IN PUBLIC SERVICE

Hon. Maurice Lamontagne (President of the Privy Council): I wish to make a statement on government organization and bilingualism in the federal public service.

The Glassco commission has now completed its work and the fifth and final volume of its report is being tabled in the house today. On behalf of the government I want to express our sincere appreciation to the chairman, to the other members of the commission and to all those who have been associated with their work. The government is pressing forward with a review of the recommendations made by the Glassco commission, particularly those which are expected to result in greater efficiency and flexibility in the public service. Several recommendations of a relatively minor character have already been agreed upon and are now in the process of being implemented. Now that the commission has completed its task the government will be in a position to give immediate consideration to the report as a whole and to the basic recommendations it contains.

(Translation):

The government has already announced its intention of taking steps to ensure that the federal administration, including crown corporations, will be bilingual in character. That objective has already been set forth in the terms of reference to be given to the royal commission on bilingualism and biculturalism. However, the government does not intend to wait for the recommendations of that commission before taking concrete steps in that field. We are now preparing a comprehensive plan, to be put into force by stages as soon as it is completed. Of course, should it see fit to do so, the commission may criticize the measures we shall have taken while awaiting its report.

A special cabinet committee has already been formed to prepare that comprehensive plan as well as the necessary reforms in the government organization. I shall be in a position to submit a first progress report on the work of that committee within a few weeks.

(Text):

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I join with the hon. gentleman in his congratulations to those who served on the Glassco commission; they indeed gave of their best. While I have not seen the last report, the other reports have been very carefully read by me and gave every indication of the comprehensiveness and thoroughness with which that commission carried out its heavy responsibilities. Indeed, the words of the president of the council today are welcomed by those of us who brought this commission about, thereby enabling an examination to be made of administration in general as well as the administration of government in this country, to the end that such economies that are consistent with efficiency may be carried out. I hope there will be early action in this regard.

As to the question of bilingualism, I think it is very appropriate that action should be taken from time to time as matters arise, rather than waiting for the report of the as yet non-existent royal commission. We ourselves when in office endeavoured to take pronounced steps toward the establishment of bilingualism. In particular, I would point out that to make parliament more effective we

brought in simultaneous translation, which made possible an interchange of discussion which was never possible before. Until we assumed office, and during the years I had been a member of this house prior thereto, when members of this house were speaking either of the official languages many of its members who were not fully conversant with that language left the house. That no longer takes place.

In general, I feel that the recommendations of Mr. Therrien deserve the earliest possible consideration. By his report he did a great deal to bring to the attention of parliament and the Canadian people the steps that ought to have been taken a long time ago, and were not taken until, as a result of the appointment of the Glassco commission, recommendations were made which brought to the attention of the people as a whole the need for changes in this regard so that the principles inherent in confederation might be consummated.

CRIMINAL CODE

AMENDMENTS RESPECTING RAFFLES AND BINGO

Mr. H. E. Gray (Essex West) moved for leave to introduce Bill No. C-73, to amend the Criminal Code (raffles and bingo for charitable purposes).

Some hon. Members: Explain.

Mr. Gray: Mr. Speaker, the purpose of this bill is to amend the Criminal Code so as to permit service groups and similar non profit making community organizations, as well as religious groups, to raise money if they so desire for charitable and religious purposes through raffles and bingo.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions to be answered orally are indicated by an asterisk.)

(Translation):

PUBLIC WORKS, VILLENEUVE CONSTITUENCY

Question No. 22—**Mr. Caouette:**

What are the public works under federal jurisdiction which are now in process in the riding of Villeneuve?

Mr. Badanai: As far as the Department of National Defence is concerned the projects mentioned below are in progress in the electoral riding of Villeneuve:

(a) Extension and reconstruction of a runway at Val d'Or;

(b) Reserve power for the purpose of lighting the runway;

(c) Construction of a road and power distribution to the radar facilities.

However, the Department of Public Works expects to call tenders very shortly for wharf repairs at Duparquet, Louvicourt, as well as on the Malartic and Thompson rivers in the constituency of Villeneuve.

(Text):

CANADIAN FORCES VOTING RULES

Question No. 41—**Mr. Fisher:**

1. Are any further amendments contemplated to the tri-service order issued before the general election of 1962 pursuant to rule 29 of the Canadian forces voting rules for application to any subsequent election?
2. Will steps be taken to assure that the tri-service order and any amendments thereto are drawn to the attention of all candidates in any subsequent general election?

Mr. Hellyer: 1. Not at present, but an extract of that portion of the tri-service order relating to rule 29 of the Canadian forces voting rules will be drawn to the attention of the committee on privileges and elections when it is reviewing the report of the chief electoral officer.

2. An extract of the tri-service order or any amendment thereto, relating to rule 29 of the Canadian forces voting rules will be made available on request by any officially nominated candidate.

RAIL SERVICE, GUELPH TO OWEN SOUND AND SOUTHAMPTON

Question No. 109—**Mr. Howe (Wellington-Huron):**

1. What was the cost this year to date of maintaining the rail line passenger service between (a) Guelph and Owen Sound and (b) Guelph and Southampton?
2. What percentage of the line costs and track facilities are charged to the passenger service?
3. What percentage of communication costs are charged to the passenger service?
4. In the general costing procedures are any of the railway trucking costs charged to the passenger service?
5. What was the total revenue, including express revenue, for the months of January, February, March, April and May on each of these lines?

Mr. Cantin: The management of Canadian National Railways advise as follows:

1. Data for 1962 only currently available. (a) $156,300. (b) $159,300.

2. Approximately 2 per cent.

3. Communications records are not maintained for individual lines and therefore it is not possible to develop this percentage.

4. No trucking costs are charged to passenger train service.

5. Data not immediately available. For 1962 total revenue was $64,105.

C.N.R. TRACK MAINTENANCE SYSTEM, WESTERN REGION

Question No. 125—**Mr. Lambert:**

1. Has the management of the Canadian National Railway inaugurated a new system of track maintenance in its western region and, if so, what changes have been effected and what would be the reduction in the number of men required for maintenance of way crews in the region?

2. What plans are being put into practice to relocate those former employees who may be found surplus to requirements?

Mr. Cantin: The management of Canadian National Railways advise as follows:

1. Railway maintenance of way methods have been improved by the use of mechanized equipment. During the past 10 years there has been a general rehabilitation program to improve the track structure and ensure safer train operation. Such improvements have included heavier rail, better ballasting and drainage, wider embankments, tested ties. These improvements in the track structure together with mechanization of maintenance methods have reduced work load requirements. Any adjustments of the work force have been made on a gradual basis. The net adjustment on the western regions during the past year has been approximately 35.

2. In accordance with the wage agreements individuals may exercise seniority within their respective groups. The railway makes every effort to find alternate employment for men who may be affected.

C.N.R. SYMINGTON YARD

Question No. 136—**Mr. Fisher:**

1. Is the Symington yard of the C.N.R. now fully operational and, if so, what has been the average number of cars per day handled since full operation was attained?

2. How does this figure compare with the maximum that planners of the yard predicted under given ideal traffic volume?

3. If there is a marked disparity between average number of cars handled and maximum predicted, what explanation is there for it?

4. Is the C.N.R. satisfied that it has gained rather than lost revenue in establishing the Symington yard, when capital costs and debt charges of construction are considered?

5. Is there difficulty at Symington yard in making up small consists for way freights and, if so, is any consideration being given to establishing a small, manual hump yard for this purpose?

Mr. Cantin: The management of Canadian National Railways advise as follows:

1. Yard operations at Winnipeg are now consolidated at Symington. The average number of cars handled is 1,720 per day with a maximum of 2,600.

2 and 3. Car handlings at the present time are less than forecast because of the volume of traffic offering. The peak forecast was 3,300 as compared with 2,600 currently handled. A substantial reduction in average grain handling through Winnipeg has also affected the average traffic volume. In the period 1947-57 this movement averaged 89,132 car loads per year while in 1962 the total handlings were nearly one third lower at 61,422 car loads. The 1963 handling this far is at the 1962 annual rate.

4. The hump yard at Winnipeg was planned as one of the key system train marshalling terminals functioning in conjunction with Montreal and Toronto. While the Montreal yard is in operation the Toronto yard is not expected to be in operation until 1965. When all yards are co-ordinated there will be substantial operating economies and betterment of service extending over the three regions. The yard at Winnipeg has been in operation less than a year and has not yet reached its full potential. Management considers the expenditure to have been an economic and prudent one for the benefit of the system as a whole.

5. The answer to both parts of the question is no.

C.N.R. PASSENGER CAR CAPACITY

Question No. 138—**Mr. Scott:**

Does the Canadian National Railways keep a statistical record of the relationship between total capacity of passenger cars actually operating on the railroads as opposed to the number of passengers actually carried and, if so, what is the relationship in percentage terms between total passenger car capacity and the number of passengers actually carried?

Mr. Cantin: The management of Canadian National Railways advise as follows:

Information is not readily available to answer the question in the form asked. The number of passengers carried in relation to the capacity of equipment operated varies over a wide range according to territory and under the influence of seasonal factors. Generally, on principal main line trains the average occupancy of reserved accommodation may range as high as 75 per cent; the average occupancy of coaches tends to be much lower. On many branch lines while occupancy may be low a full complement of accommodation must be provided.

GUELPH, ONT., POST OFFICE ALTERATIONS

Question No. 177—**Mr. Hales:**

Does the government plan to proceed with the previously planned alterations to the Guelph post office building?

Mr. Badanai: No, not at the present time, but the proposal is still under study.

C.N.R. SALES OF EQUIPMENT, B.C. AND ALBERTA

Question No. 190—**Mr. Howard:**

Since January 1, 1963, has the Canadian National Railways sold any machinery or equipment in

Questions

British Columbia or Alberta or which was at the time of sale located in British Columbia or Alberta, which was valued at more than $5,000 and, if so, with respect to each such piece what is (a) its description (b) its date of purchase (c) the purchase price (d) whether purchased new or used (e) the name and address of the seller (f) the date of sale (g) the selling price (h) the name and address of the purchaser (i) whether the sale was by bid or otherwise, and if not by bid, the reasons therefor?

Mr. Cantin: The management of Canadian National Railways advise as follows:

In the operations of the railway many items of equipment are bought and sold on an ordinary commercial and competitive basis. In the normal course of events items of equipment which are considered obsolete or no longer required for railway purposes are advertised and sold to the highest bidder. Purchase or selling prices are not made a matter of public record.

REVENUE FROM ALCOHOLIC BEVERAGES

Question No. 214—**Mr. Mather:**

1. How much revenue did the federal government receive as a result of the sale of alcoholic beverages, including spirits and malt liquor, during 1962?
2. What did the federal government spend during the same period to combat alcoholism in Canada?

Mr. Dupuis: 1. Specified revenue of the government of Canada from alcoholic beverages[1] for the fiscal year ended March 31, 1962 (latest available data):

On spirits:	
Excise duty	$113,689,000
Licences	8,000
Import duty	29,919,000
Total on spirits	$143,616,000
On wines:	
Excise taxes	$3,350,000
Import duty	1,873,000
Total on wines	$5,223,000
On beer:	
Excise duty	$93,051,000
Licences	3,000
Import duty	203,000
Total on beer	$93,257,000
Grand total[2]	$242,096,000

[1] The table excludes revenue from general sales tax, which is not regarded as a specific tax on alcoholic beverages. (The amount of general sales tax on alcoholic beverages is not, in any case, available separately).

[2] Drawbacks and refunds of duties and taxes have not been deducted.

2. In 1961-62 the Department of National Health and Welfare, under the national health grants program, provided assistance amounting to $2,095 for a project, submitted by the province of Ontario, covering a study of the mental effects of alcoholism, undertaken by the University of Toronto at the Toronto psychiatric hospital. In 1962-63 this assistance was continued in a further amount of $2,984.

In 1962-63 the department also provided assistance amounting to $3,000 for a project, submitted by the province of Manitoba, for a study on the relationship between alcoholism and tuberculosis undertaken by the department of psychiatry of the University of Manitoba.

During 1961-62 and 1962-63 almost $2,500 was spent by the department for the reprinting of the pamphlet "Alcoholism" which is distributed to the general public through the provincial departments of health.

(Translation):

PUBLIC WORKS, CHAPLEAU CONSTITUENCY

Question No. 219—**Mr. Laprise:**

1. What work is now being done in the constituency of Chapleau by the Department of Public Works?
2. What amounts were voted for this purpose?

Mr. Badanai: 1. None.

2. $45,000 in the 1963-64 estimates, which are now before the house.

(Text):

WEYMONTACHIE INDIAN RESERVE

Question No. 239—**Mr. Laprise:**

1. Have timber rights been granted to logging companies in the Weymontachie reservation of the Abitibi Indian agency and, if so, how much has the Weymontachie Indian band received from these timber rights?
2. How much cash does this reservation have?
3. Does the government intend to build, in the near future, suitable dwellings for the Indians living on this reservation?

Mr. Munro: 1. Yes, the timber on the Weymontachie Indian reserve was under licence to logging companies in 1951 and from 1956 to 1959. Income from timber dues under these licences amounted to $101,128.87.

2. The Weymontachie band funds as of March 31, 1963, amounted to $128,067.34 in capital account and $7,196.98 in revenue account.

3. No, the future location of the Weymontachie band will depend on the effect on the area of the proposed power development of the St. Maurice river. Consequently there are no plans to construct new houses on the reserve in the near future.

SOCIAL WELFARE BENEFITS, COMPTON-FRONTENAC CONSTITUENCY

Question No. 249—**Mr. Latulippe:**

1. How many persons in the constituency of Compton-Frontenac are drawing social welfare benefits?

2. What is the total amount that the government spent for this purpose during the last fiscal year, and of this total, how much was spent in (a) the county of Frontenac (b) the county of Compton?

Mr. Dupuis: 1. This information is not available.

2. Department of National Health and Welfare expenditures for 1962-63:

Old age security, $734,381,632; family allowances, $531,566,349; family assistance, $1,238,276; unemployment assistance, $96,476,627; old age assistance, $38,179,056; disabled persons allowances, $19,634,312; blind persons allowances, $4,881,829.

(a) and (b). This information is not available.

(Translation):

GOVERNMENT BOND ISSUES

Question No. 262—**Mr. Pigeon:**

Of the total government bond issues from 1914 to date, how many were for each year (a) issued to bearer (b) not issued to bearer.

Mr. Benson: Records have not been kept for the period indicated which would provide the information requested, but as at April 30, 1963, the division between fully registered and outstanding coupon bonds is as follows:

*Domestic issues: fully registered, $5,203,803,810.21; coupon, $10,859,561,050.00.

*Ex. series 17 Canada savings bonds still in process of flotation.

Loans payable in U.S. dollars: fully registered, $251,968,000.00; coupon, $96,327,000.00.

(Text):

TRENTON, N.S., AIRPORT IMPROVEMENTS

Question No. 264—**Mr. MacEwan:**

Is it the intention of the government to carry out improvements this year at the Trenton airport, Trenton, Nova Scotia, including extension of the runways?

Mr. Cantin: This matter remains under review but so far traffic requirements do not appear to support any need for immediate expansion.

(Translation):

FOREST ACCESS ROADS, CHAPLEAU CONSTITUENCY

Question No. 268—**Mr. Laprise:**

What work is planned for the 1963-64 fiscal year in the constituency of Chapleau under the joint program for the construction of forest access roads?

Mr. Laing:

Projects	Estimated provincial expenditures
Villebois road—6 milles	$ 75,000
Bourque road—5 miles	75,000
Mazarin-Abitibi road—5 miles	100,000
Megiscane road—15 miles	100,000
Vassal-Abitibi road—5 miles, one bridge	50,000

PUBLIC WORKS, COMPTON-FRONTENAC CONSTITUENCY

Question No. 273—**Mr. Latulippe:**

What funds have been allotted by the Department of Public Works for works programs in the constituency of Compton-Frontenac?

Mr. Badanai: Providing supply is approved by parliament, about $4,800 will be spent in the constituency of Compton-Frontenac during the current fiscal year.

FEDERAL BUILDINGS, COMPTON-FRONTENAC CONSTITUENCY

Question No. 274—**Mr. Latulippe:**

What are the federal buildings situated in the constituency of Compton-Frontenac; where are they situated; by whom are they maintained, and at what annual cost?

Mr. Badanai: In the constituency of Compton-Frontenac, the following federal buildings come under the Department of Public Works. The operation costs are those of 1961-62, the latest year for which figures are available.

Location	Cleaning	Annual Cost
Cookshire	By the Department of Public Works	$4,501
East Angus	By the Department of Public Works	5,709
Lake Megantic	By the Department of Public Works	7,366
Sawyerville	By the Department of Public Works	1,465
Scotstown	By the Department of Public Works	2,243

(Text):

STUDY OF DANGERS OF TOBACCO ADDICTION

Question No. 278—**Mr. Perron:**

1. Has the national research council undertaken studies of the dangers of tobacco addiction, particularly cigarette smoking?

2. Is the government aware of the reports printed in Great Britain on this subject and, if so, has the Department of National Health and Welfare taken steps (a) to inform the population of the findings of these reports (b) to initiate investigations on this matter (c) to deal with advertising through various media by cigarette companies?

3. If the government has not taken any steps to initiate investigations on this matter, will it consider doing so?

Mr. Dupuis: 1. No.

2. Yes.

(a) Not specifically.

(b) Yes. The department has carried out a six-year study of mortality in relation to smoking habits. A preliminary report was presented to the Canadian public health association in 1960 and a second report was made

to the annual meeting of the same association in May of this year. The final report will be prepared at the later date.

(c) This subject is under continuing study by the Department of National Health and Welfare. As this is a matter of government policy any announcement will be made at the appropriate time.

3. See answer 2 (b) above.

IMMIGRATION TO CANADA, 1962

Question No. 281—**Mr. Mather:**

1. During 1962, what was the total immigration to Canada?
2. From which countries did these immigrants come, and what was the number from each country?
3. What were the numbers of these immigrants who registered for or came from categories of employment such as farm, factory, service or professional employment?

Mr. Munro:

Immigration to Canada by Country of Last Permanent Residence

Country of Last Permanent Residence	Calendar Year 1962
Austria	778
Belgium	706
Britain	15,603
Czechoslovakia	18
Denmark	594
Estonia	3
Finland	317
France	2,674
Germany	5,548
Greece	3,741
Hungary	450
Ireland, Republic	452
Italy	13,641
Latvia	8
Lithuania	4
Luxembourg	19
Malta	362
Netherlands, The	1,555
Norway	208
Poland	1,601
Portugal	2,928
Spain	362
Sweden	201
Switzerland	802
U.S.S.R.	56
Yugoslavia	862
Other	157
Sub-total for Europe	53,650
Rhodesia & Nyasaland	126
South Africa, Republic	340
Other	383
Sub-total for Africa (excl. Egypt)	849
Egypt	1,322
Israel	558
Lebanon	303
Syria	22
Turkey	140
Other	20
Sub-total for Middle East	2,365
Ceylon	14
China	244
Hong Kong	426
India	529
Japan	137
Pakistan	55
Other	285
Sub-total for Asia (excl. Middle East)	1,690
Australia	1,063
New Zealand	321
Sub-total for Australasia	1,384
West Indies, Federation	1,480
Mexico	134
U.S.A.	11,643
Other	228
Sub-total for North America	13,485
Argentina	133
Brazil	108
Other	862
Sub-total for South America	1,103
Oceania	60
Total	74,586

Immigration to Canada by (Intended) Occupational Groups

Occupational Group Destined to the Labour Force	Calendar Year 1962
Managerial	1,093
Professional & Technical	8,218
Clerical	4,898
Commercial & Financial	1,214
Service & Recreation	5,853
Transport & Communication	489
Agriculture	1,923
Logging	64
Fishing, Trapping & Hunting	14
Mining & Quarrying	100
Manufacturing, Mechanical and Construction	9,685
Labourers	3,145
Others	52
Total	36,748

[Mr. Dupuis.]

Not Destined to the Labour Force	
Wives	15,674
Children	18,137
Fiance or Fiancee	136
Students (18 and over)	565
Others	3,326
Total	37,838
Grand Total	74,586

DEVELOPMENT OF FRENCH CREEK BOAT BASIN, B.C.

Question No. 286—**Mr. Basford:**

What amount of money, if any, will be spent this year on harbour development at French creek boat basin, Vancouver island, B.C.?

Mr. Badanai: This is not known at present because negotiations are still going on toward the acquisition of shoreline property.

*CHANGES IN LOCK CONSTRUCTION, TRENT WATERWAY

Question No. 293—**Mr. Aiken:**

Have any changes been made in plans concerning the construction of locks on the Trent waterway since the present government took office?

Mr. Cantin: Mr. Speaker, the answer is no.

(Translation):

ARMED FORCES PERSONNEL FROM COMPTON-FRONTENAC CONSTITUENCY

Question No. 308—**Mr. Latulippe:**

1. What units of the armed forces of Canada have members from the constituency of Compton-Frontenac?

2. How many persons from the said constituency are in the army, the air force, the navy, and how many in each unit of said forces?

Mr. Cardin: 1 and 2. According to the files, the breakdown of the number of persons from the constituency of Compton-Frontenac in the armed forces is as follows: army, 95; air force, 90; navy, 9.

It would be rather difficult to say how many there are in each unit.

AID FOR MUNICIPAL AIRPORT, LA SARRE, QUE.

Question No. 314—**Mr. Laprise:**

Has the government contributed financially or otherwise to the construction of the municipal airport at La Sarre in the riding of Chapleau and, if so, does the government intend to make further expenditures for the development of that airport?

Mr. Cantin: No.

(Text):

CONTRACT FOR PENAL INSTITUTION, SPRINGHILL, N.S.

Question No. 324—**Mr. Coates:**

Will a contract be called for the construction of a young offenders medium security penal institution, to be located at Springhill, Nova Scotia, and, if so, when?

Mr. Macdonald: It is expected that tenders will be called for the construction of a young offenders correctional institution to be located at Springhill, Nova Scotia, about October 1963.

WHARF REPAIRS, LAKE WINNIPEG

Question No. 325—**Mr. Stefanson:**

1. Were any extensions or repairs made to wharves on lake Winnipeg, Manitoba, between March 31, 1958, and April 8, 1963, and, if so, where, and at what cost?

2. Are any extensions or repairs to be made to wharves on lake Winnipeg this year and, if so, where, and at what cost?

Mr. Badanai: 1. Yes: at Armes, $13,927; Gimli, $197,949; Grand Rapids, $5,817; Gull harbour, $46,494; Hnausa, $275; Matheson Island, $600; Matheson island landing, $936; Pine Dock, $4,288; Rabbit Point, $508; Red River Mouth, $28,273; Victoria Beach, $13,148; Winnipeg Beach, $8,084.

2. Yes; at Gimli and Victoria Beach. The total cost is expected to be about $10,000.

WHARF CONSTRUCTION, LAKE WINNIPEG

Question No. 326—**Mr. Stefanson:**

1. Were any new wharves constructed on lake Winnipeg, Manitoba, between March 31, 1958 and April 8, 1963, and, if so, where, and at what cost?

2. Are any new wharves scheduled to be built on lake Winnipeg this year and if so, where, and at what cost?

Mr. Badanai: 1. Yes: Berens river, $60,044 (not completed); Matheson island landing, $63,499; McBeth point, $82,375.

2. No. The wharf at Berens river will be completed at a cost of $300.

ROADS TO RESOURCES PROGRAM, MANITOBA

Question No. 327—**Mr. Stefanson:**

1. When did the federal government sign the agreement for the roads to resources program with the province of Manitoba?

2. What roads have been built to date; what is the cost of each?

3. How has the cost been shared?

4. What roads, if any, are scheduled to be built this year?

Mr. Turner: 1. December 21, 1959.

2 and 4. The following roads are to be constructed under the roads to resources agreement between Canada and the province of Manitoba:

Road	Estimated Cost	
Thompson road	$5,200,000	
Osborne lake road	500,000	
Oiseau lake road (completed)	170,000	(final cost not yet available)
Central Manitoba road system	1,500,000	
Gods lake road	12,000,000	

The provincial government has advised that work has commenced on all these roads and that the Oiseau lake road has been completed. The agreement requires the province to complete construction of these projects by March 31, 1966, but the planning and scheduling of construction is a provincial responsibility under the agreement.

3. The federal government pays 50 per cent of the costs incurred and submitted by the province as provided by the agreement.

HARBOUR IMPROVEMENTS, SYDNEY, N.S.

Question No. 331—**Mr. Muir (Cape Breton North and Victoria):**

What major harbour improvements are planned for Sydney harbour by the Department of Transport?

Mr. Cantin: None this year.

(Translation):

*HARBOUR IMPROVEMENTS, MONTREAL

Question No. 334—**Mr. Loiselle:**

Will the Montreal harbour board soon submit to the world exhibition corporation various projects for the improvement of the Montreal harbour and if so, will such projects include the building of a marine terminal?

Mr. Cantin: The national harbours board advises that projects for the improvement of Montreal harbour are being carried out continuously. Such projects are, in accordance with normal procedure, submitted to the government for inclusion in the estimates. The provision of improved passenger facilities at Montreal is contemplated.

MARINE TERMINAL, MONTREAL HARBOUR

Question No. 335—**Mr. Loiselle:**

1. Is the government considering the construction of a marine terminal in Montreal harbour in the near future?

2. Has the city of Montreal been approached recently in this connection?

3. Is the Montreal harbour board in possession of plans and specifications pertaining to the proposed marine terminal?

Mr. Cantin: The national harbours board advises:

1. The provision of improved passenger facilities at Montreal is contemplated.

2. No.

3. Preliminary plans are being developed by the national harbours board's staff at Montreal for evaluation by the N.H.B.

[Mr. Turner.]

INDUSTRIAL DEVELOPMENT BANK LOANS, COMPTON-FRONTENAC CONSTITUENCY

Question No. 336—**Mr. Latulippe:**

How many individuals and organizations in the constituency of Compton-Frontenac have obtained loans from the industrial development bank during the fiscal year ending September 30, 1962, and what was (a) the number of loans during the year, (b) the total amount of loans granted during the year (c) the number of borrowers at the end of the year (d) the amount outstanding, or commitments, at the end of the year?

Mr. Benson: The information requested is not available. Classification of loans by provinces appears in the industrial development bank annual report for September 30, 1962, pages 16 and 17.

(Text):

THREATS TO WEST COAST FISHERIES

Question No. 341—**Mr. Barnett:**

With reference to the statement of the Prime Minister as recorded on page 621 of the House of Commons debates on Tuesday, June 4, 1963, what are the "indications" that Canada's west coast fisheries may soon be threatened?

Mr. Davis: The sentence "There are indications also that Canada's west coast fisheries may soon be threatened" refers to the general great expansion of high seas fishing by many nations of the world, and particularly to activity for some time in the not too distant waters of the Bering sea.

[*Later:*]

On the orders of the day:

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, the other day I asked a question of the Prime Minister requesting him to tell me what the indications were that Canada's west coast fisheries may soon be threatened. The Prime Minister suggested that if I put my question on the order paper he would give me an answer, which I did, and I have received an answer today. Now I would like to ask the Prime Minister if I put a further question on the order paper, will he be willing to explain what he means by "activities for some time in the not too distant waters of the Bering sea"?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, if the hon. gentleman will make his question more specific. I will give a more specific answer.

GLASSCO COMMISSION—METHODS AND PERSONNEL

Question No. 347—**Mr. Fisher:**

Has the Minister of National Defence received any representations from anyone regarding the methods and personnel used by the Glassco commission in investigating and reporting on the service colleges and, if so, when, from whom, and to what effect?

Mr. Hellyer: No.

FORT WILLIAM LAWYERS HANDLING N.H.A. LOANS

Question No. 348—**Mr. Fisher:**

1. As of June 1, 1963, what lawyers are listed with C.M.H.C. at Fort William as eligible for handling N.H.A. loans?
2. Have there been changes in the list in the past two months and, if so, what are the changes?

Mr. Garland: 1 and 2.

The Minister of Justice provides legal services to Central Mortgage and Housing Corporation, including the provision of qualified and competent legal agents to perform locally required legal work. Assignments are made as legal services are required from time to time. In order to avoid loss of time to the public, occasionally names of legal agents are submitted in advance to the corporation as its requirements are on a daily basis.

VIENNA, ONT., POST OFFICE

Question No. 350—**Mr. McBain:**

Is it the intention of the government to build a post office at Vienna, Ontario, this year?

Mr. Denis: No. This is a revenue post office, group 24, where the postmaster is responsible for the provision of the premises as part of his remuneration.

LIGHTHOUSE PAINTING, PORT BURWELL, ONT.

Question No. 351—**Mr. McBain:**

Is it the intention of the government to give immediate consideration to painting the wooden lighthouse at Port Burwell, Ontario?

Mr. Cantin: It is not the intention of the government to give immediate consideration to painting the wooden lighthouse at Port Burwell, Ontario. This light has been discontinued and it is planned to declare the building surplus to Crown Assets Disposal Corporation.

REPAIRS TO HARBOUR WALL, PORT STANLEY, ONT.

Question No. 355—**Mr. McBain:**

Does the government plan to build any sheet-steel piling to the east inner harbour wall at Port Stanley, Ontario, during the present fiscal year?

Mr. Badanai: No, not during the present fiscal year.

TORONTO—ASSISTANCE FOR HOUSING FOR SENIOR CITIZENS

Question No. 356—**Mr. Scott:**

1. During the years 1959, 1960, 1961, and 1962 were any requests made to the government by the municipality of metropolitan Toronto for financial assistance to be made available for the purposes of the metropolitan corporation building and/or acquiring premises to be made available for senior citizens' housing?
2. If so, in each year, how many requests were made, by whom were they made, and briefly, what was the nature of each request, and for which specific project was the request made?

28902-5—60

Questions

3. What replies were given to such requests?
4. How much financing has been made available to the municipality of metropolitan Toronto in the above years for these purposes?

Mr. Garland: The below listed answer applies in so far as Central Mortgage and Housing Corporation is concerned.

1. Yes.

2. Eleven such requests were made by the Metro Toronto Housing Company Limited. The nature of each request was for a limited dividend loan under the provisions of section 16 of the N.H.A. to assist with the construction of a project to provide accommodation for elderly persons. The specific requests were made for the following projects:

Name of Project	No. of Units	Amount of Loan
1959		
Woodbine-Merrill project	42	$ 210,258
West Acres project	96	567,675
Brimley road project	201	1,093,429
1960		
River street project	25	128,200
Cosburn street project	201	1,102,950
1961		
Scarlett road project	47	271,620
King and High streets project	31	170,377
1962		
Acquisition and conversion of Hemus development project	154	847,170
Warden avenue project	392	2,204,000
Jane and Wilson streets project	300	
Thistletown project	406	
		$6,595,679

3. Loans were approved for nine of these projects and two are still under consideration viz. the Jane and Wilson and Thistletown projects.

4. Answered by 2 above.

RALSTON, ALTA.—CROWN OWNED RESIDENCES

Question No. 365—**Mr. Olson:**

1. What was the total cost of constructing the crown owned residences in the village of Ralston, Alberta?
2. What is the total amount of rent collected on these residences?

Mr. Cardin: 1. $1,694,789.

2. $10,769 per month.

ROADS TO RESOURCES PROJECTS, SASK.

Question No. 367—**Mr. Korchinski:**

1. What projects have been undertaken in Saskatchewan under the roads to resources program?
2. What is the total mileage of these projects?
3. What is the federal government's share to date of these projects?

Questions

4. Have requests been received from the Saskatchewan government to alter the original agreement?
5. What alternative routes have been suggested to the present agreement?
6. Have requests been received from the Saskatchewan government to extend the present program?
7. What route, if any, is suggested under the extension?

Mr. Turner: 1. The Uranium City road, the Hanson lake road, the Otosquen road and the Prince Albert bridge.

2. 811 miles.

3. The province of Saskatchewan has submitted claims totalling $10,078,751. The federal government has contributed 50 per cent of this total or $5,039,376.60.

4. Yes.

5. In May, 1961, the province suggested that the Uranium City road be rerouted easterly by way of Reindeer lake rather than by way of Cree lake as stipulated in the agreement.

6. No.

7. Not applicable.

ASSISTANCE TO VOCATIONAL SCHOOL CONSTRUCTION, SASK.

Question No. 368—**Mr. Korchinski:**

1. To March 31, 1963, what amount of money has the federal government contributed to the province of Saskatchewan toward the construction of vocational training schools?
2. Where have these schools been built, and what is the amount of federal contribution to each?

Mr. Byrne: 1. From April 1, 1961, the effective date of the technical and vocational training agreement concluded with the province of Saskatchewan under authority of the Technical and Vocational Training Assistance Act, to March 31, 1963, the federal government made contributions of $4,960,676.16 toward the construction and equipment of technical and vocational schools and institutes in that province.

2. The federal contributions toward the capital costs of each of these schools and institutes were as follows:

Location	Name of School	Federal Contribution
Melfort	Melfort composite high school	$ 78,000.00
Moose Jaw	Moose Jaw technical high school	$ 300,000.00
Moose Jaw	South Saskatchewan technical institute (trade and technical)	$1,432,509.92
Prince Albert	Prince Albert technical high school	$ 647,919.84
Regina	Balfour technical high school (vocational)	$ 607,500.00
Regina	Coronation collegiate institute (composite)	$ 300,000.00
Saskatoon	Central Saskatchewan tech. institute (trade)	$1,550,646.40
Swift Current	Swift Current collegiate (composite high school)	$ 44,100.00
	Total federal contribution	$4,960,676.16

FARM CREDIT LOANS, MACKENZIE CONSTITUENCY

Question No. 369—**Mr. Korchinski:**

1. Since the Farm Credit Corporation has come into being, how many loans have been granted to March 31, 1963, in the electoral district of Mackenzie?
2. What is the total amount of loans granted?

Mr. Beer: 1. 418.

2. $3,318,100.

FOREST ACCESS ROADS, SASK.

Question No. 370—**Mr. Korchinski:**

1. How many miles of forest access roads were constructed in Saskatchewan?
2. What are the locations of these roads?
3. What is the federal cost of these roads?
4. Are they any plans for construction of more roads in 1963?

[Mr. Korchinski.]

Mr. Nicholson: Mr. Speaker, in connection with this question, No. 370, I would point out that the first part of the question and of necessity the second part are very general in character. I am informed by officials of my department that to prepare a complete answer would involve the expenditure of some $3,200. I think that the house could find a better use for the $3,200 so I have limited the answer to the period from 1957 to the present time.

1. Since 1957-58 the federal government has contributed to the construction of approximately 514 miles of forest access roads and trails in Saskatchewan.

2. The following is a list of the sharable cost roads and trails; the names indicating the location.

Dore lake road, Montreal river road and bridge, Emmilene-Montreal river road, Armit road, Fir river road, Bittern lake road, Muskeg lake road, Bigstone road, Spinook bridge, Portage La Loche road, Nemeiben road and bridge, Fox point road, Sipanok channel bridge, Turnburry road, Helldiver lake road, McBride lake road, Chitek lake road, Keely lake road, Ile a La Crosse road, miscellaneous bridges, Big sandy road, Stewart lake trail, Porcupine hills trail, Niska lake trail, Little Bear south trail, Little Bear north trail, Fishing lake road, Clearwater valley trail, McLean lake trail, Descharme lake trail, Dillon-Sandy Point trail, Clear lake trail, Michelle-Dillon road, Kazon lake trail, primeau lake trail, Dipper lake trail, Lac La Plonge trail, Cumroad, Kazon lake trail, Primeau lake trail, Fire guard trail, Potato lake trail, Jan lake road, Amyot lake trail, Michel point road, Kemball lake road, Pine house trail, Apps lake trail Candle lake east road, Candle lake south road, Candle lake road, Green lake road, Waterhen road, Whelan bay road, Canoe lake road, White Swan road, Emma-Christopher road, Division road, Parr hill road, Meadow lake road, Ballantyne bay road, Cowan river bridge, Lac des Isles road, Shoal lake road, Strong pine road.

3. Up to March 31, 1963 the total federal contribution amounted to $872,697.67.

4. Yes.

	Estimated Provincial Expenditures
Dore lake road—20 miles	$115,000
Strong pine road—4 miles	30,000
Waterhen-Lac des Isles road—7 miles	15,000
Hill lake road—0.5 miles	2,000
Northern pine-Pierce lake road—2.5 miles	12,000
La Loche road—25 miles	45,000
Duck mountain road—3 miles	4,000
Candle lake-White Swan road—5 miles	35,000
Pasquia hills road—15 miles	50,000
Wildnest, Hanson lake, Tulabi, and Limestone roads—10 miles	140,000

WINTER WORKS PROGRAM

Question No. 377—**Mr. Beaule:**

1. Is the purpose of the winter works program to provide work for the unemployed or to assist the municipalities in a roundabout way?
2. When municipalities undertake winter work with government aid, are they obliged to carry out such work as economically as possible?
3. Are there any agreements whereby municipalities have to use as much labour as possible instead of the machinery they have available?
4. What was the aggregate cost of winter works carried out last year?
5. What was the cost of labour for these projects?
6. What was the federal government's share?
7. What was the value of winter work carried out in the city of Quebec last year?
8. What was the total cost of labour?
9. What was the federal government's share in these works?

Questions

Mr. Byrne: 1. The purpose of the municipal winter works incentive program is to encourage municipalities to create additional winter employment through carrying out needed public works projects which would not be undertaken in the absence of the program.

2. There should be no difference between the method of carrying out projects under the program and the method of carrying out regular municipal undertakings other than the timing of the work. It is expected that municipalities will carry out projects as economically as possible.

3. No.
4. $291,055,000.*
5. $91,136,000.*
6. $45,165,000.*
7. $2,822,000.*
8. $1,032,000.*
9. $516,000.*

*Preliminary estimates.

MAN DAYS LOST, 1962

Question No. 378—**Mr. Beaule:**

1. How many man days were lost last year because of labour disputes?
2. How many man days were lost last year because of unemployment?

Mr. Byrne: 1. There were 311 strikes and lockouts in Canada during 1962. These work stoppages involved 74,332 workers for a total of 1,417,900 man days.

2. The average number of unemployed persons in 1962 was estimated to be 391,000. On the basis of 250 working days per year, the total working time lost through unemployment in 1962 was 97,750,000 man days.

TORONTO—ASSISTANCE FOR SLUM CLEARING PROJECTS

Question No. 392—**Mr. Scott:**

In each of the years 1959, 1960, 1961, and 1962, were any requests received by the government from the city of Toronto or the municipality of metropolitan Toronto for financial assistance for slum clearance projects in the city of Toronto and/or the municipality of Toronto and, if so, in each of the respective years (a) what requests were received (b) for what purposes (c) in what particular areas (d) how much money was committed by the government for these projects (e) what are the particulars of each project, the area, and the amount involved?

Mr. Garland: A request from the city of Toronto for federal assistance under the National Housing Act for a slum clearance project was received in 1959 followed by a similar request in 1960.

Questions

(a) The request received in 1959 was for the Moss Park project.

The request received in 1960 was for clearance of part of an area known as Alexandra Park.

(b) These requests were for federal contributions under section 23 of the National Housing Act to cover 50 per cent of the cost of acquiring and clearing these areas.

(c) The Moss Park area is bounded by Shuter, Parliament, Queen and Jarvis streets and contains 16.4 acres.

The Alexandra Park area is bounded by Bathurst, Dundas, Spadina and Queen streets.

(d) The amount of federal contribution for the Moss Park project is estimated at $4,250,000. This represents half of the cost of acquiring and clearing the property. The federal government will receive 50 per cent of any recoveries from the disposal of the cleared land.

No commitments have been made with respect to the Alexandra Park project.

(e) For particulars as to the location, size and estimated cost of the Moss Park project, see (a), (b), (c) and (d) above. This was a blighted area of mixed residential, commercial and industrial uses. All of the properties have since been acquired by the city of Toronto and substantial clearance has taken place. A redevelopment plan has been prepared to provide a site for a housing project of 902 units on the easterly portion of the project which is being financed with a loan of $7.8 million under section 16 of the National Housing Act. Land in the centre of the project has been made available to the city of Toronto to enlarge Moss Park. A block facing on Jarvis street is being transferred to the Department of National Defence for the construction of an armoury. The city's proposal for the redevelopment of the Alexandra Park area was reviewed by officials of Central Mortgage and Housing Corporation. An advisory committee composed of representatives from the city, the province and Central Mortgage and Housing Corporation was appointed to study the proposal in detail. A report of the study has since been completed and at the present time is being reviewed by the municipal authorities.

SCARBOROUGH, ONT.—SENIOR CITIZENS HOUSING PROJECT

Question No. 393—**Mr. Scott:**

1. Is the government making available financial assistance to the senior citizen's housing project located on Warden avenue at St. Clair avenue east in the township of Scarborough and, if so, what is the nature of the contribution being made by the government to this project?

2. Does the government impose any restrictions as to the requirements necessary for admittance to this project by prospective tenants?

[Mr. Garland.]

Mr. Garland: 1. Yes. An N.H.A. section 16 limited dividend loan in the amount of $2,204,000 has been approved to assist in the construction of the Warden avenue project.

2. Yes. Tenants must be 60 years of age or over and the accommodation is directed to persons of low income. The minimum and maximum annual incomes for ingoing tenants are $888 and $2,400 for the bachelor apartments and $1,188 and $3,300 for the one bedroom units.

*CROP INSURANCE PROGRAM

Question No. 394—**Mr. Pigeon:**

At the present time what provinces take advantage of the crop insurance program, and for each province, what federal benefits have been received?

Mr. Beer: The provinces of Manitoba, Saskatchewan and Prince Edward Island are presently operating crop insurance programs under agreements with Canada as provided by the Crop Insurance Act.

Federal contributions made to the provinces to June 10, 1963, under the Crop Insurance Act are as follows: Manitoba $624,472.00, Saskatchewan $107,626.00, and Prince Edward Island $10,686.00.

In addition, Canada loaned the province of Manitoba, as provided for under the act, $479,173.00 to assist in the payment of indemnities incurred in the 1961 crop year.

*FEDERAL SHARE OF WINTER WORKS COSTS

Question No. 395—**Mr. Pigeon:**

What is the total amount paid by the federal government to each of the provinces since the coming into force of the program under which it underwrites 50 per cent of the labour costs on winter works undertaken by municipalities?

Mr. Byrne: Total amount paid by federal government to each of the provinces since the coming into force of the program under which it underwrites 50 per cent of the labour costs on winter works undertaken by municipalities:

Province	Total Paid
Newfoundland	$ 619,719.57
Prince Edward Island	123,618.66
Nova Scotia	950,654.68
New Brunswick	1,224,999.14
Quebec	25,794,794.67
Ontario	15,332,759.14
Manitoba	2,260,859.25
Saskatchewan	4,523,628.46
Alberta	8,582,659.09
British Columbia	9,725,929.42
Yukon	5,199.11
Northwest Territories	30,627.94
Indian Bands	225,260.56
	$ 69,400,709.69

QUESTIONS PASSED AS ORDERS FOR RETURNS

CONTRACTS TO ENAMEL AND HEATING PRODUCTS LTD.

Question No. 71—**Mr. Coates:**

1. What was the total value of contracts awarded to Enamel and Heating Products Limited for the fiscal year 1962-63?
2. What is the estimated value of contracts awarded to Enamel and Heating Products Limited for the fiscal year 1963-64?

Mr. Dupuis: Return tabled.

EXPENDITURES ON INDIAN AFFAIRS ADMINISTRATION

Question No. 199—**Mr. Howard:**

For each fiscal year since 1957, how much money has been spent by (a) the Indian affairs branch (b) the Indian and northern health services branch (c) the Department of Northern Affairs and National Resources for (i) administration of Indian affairs matters and (ii) payments to Indians by classification?

Mr. Dupuis: Return tabled.

SAMPLES TO DETERMINE RADIOACTIVE FALL-OUT

Question No. 226—**Mr. Scott:**

1. To what extent does the government conduct tests upon food samples, plants, soils, crops, fish, game and livestock to determine the level and extent of radioactive fall-out?
2. How many such samples are taken, and what crops, foods, livestock, soils, fish, and game are included in such samples?
3. What are the areas in Canada from which such samples are taken?
4. What is the frequency with which such samples are taken?
5. Where are tests on such samples performed, and by whom are they performed?
6. How many people are engaged in performing such tests?

Mr. Dupuis: Return tabled.

FAIR WAGE SCHEDULES, FEDERAL CONTRACTS

Question No. 304—**Mr. Fisher:**

1. What steps, in detail, does the federal department of labour follow in preparing the fair wage schedules attached to the tendering and contract documents for government contracts?
2. In what ways does the federal department of labour try to ensure that the prevailing labour rates, hours of work, and other conditions of labour that are in effect for the type of work specified in the locality concerned, are actually up to date?
3. Has the federal department of labour received complaints from either contractors or trade unions or any other organizations in the past 18 months about this particular problem, outlined in question 2, and, if so, what are the organizations, and on what date did they make their representations?

MOTIONS FOR PAPERS

MANITOBA—RELOCATION OF INDIANS BECAUSE OF POWER DEVELOPMENT

Motion No. 6—**Mr. Orlikow:**

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 federal government or any agency or branch thereof and any other government, person or organization since January 1, 1959, relating to the proposal by the government of Manitoba or the Manitoba hydroelectric board to move the Indians from their present reserves at Cedar Land and Moose Lake to make way for the Grand Rapids power development.

Motion agreed to.

REPORTS BY JOSEPH DREAVER

Motion No. 7—**Mr. Howard:**

That an order of the house do issue for a copy of all reports of Mr. Joseph Dreaver who was employed to survey the Indians of Saskatchewan in respect of their reactions and recommendations concerning the findings of the joint committee of the Senate and House of Commons on Indian affairs.

Mr. Favreau: Mr. Speaker, the hon. member for Skeena had already agreed to have this motion stand until today. Because I would like to check further on the status of the person who is alleged to have prepared this report I would appreciate it very much if the hon. member would agree to stand his motion again until next Wednesday.

Mr. Howard: That is quite agreeable, Mr. Speaker.

Mr. Favreau: Thank you.

Motion stands.

Mr. Favreau: Mr. Speaker, would it be possible for me to revert to motion No. 6?

Some hon. Members: No; that was passed.

Mr. Speaker: I think it would be possible on orders of the day.

(Translation):

SITE FOR WORLD FAIR

Motion No. 12—**Mr. Pigeon:**

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 and reports on the site of the 1967 world fair exchanged between the government and the following other governments or bodies concerned: (a) international joint commission, (b) St. Lawrence seaway authority (United States and Canada), (c) St. Lawrence river pilots' association, (d) national harbours board, (e) Canadian National Railways, (f) Quebec hydro, (g) city of Verdun, (h) Canadian association for the protection of birds, (i) Department of Transport, (j) town of St. Lambert, (k) government of the province of Quebec, (l) Canadian World Exhibition Corporation.

He said: I agree to let it stand for a few days, until the minister is ready.

(Text):

Mr. Pickersgill: Mr. Speaker, the hon. gentleman has agreed to let the motion stand, and I appreciate it very much.

Motion stands.

Motions for Papers

(Translation):

POST OFFICE CUSTOMS BUILDINGS, ST. HYACINTHE, QUE.

Motion No. 13—**Mr. Ricard:**

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 of its agencies or departments and any municipal government, individual or organizations, since January 1, 1960, in respect of any proposal to purchase the post office building and the customs building in the city of St. Hyacinthe.

Motion agreed to.

CONSTRUCTION OF PENAL INSTITUTION, ST. PIE DE BAGOT, QUE.

Motion No. 14—**Mr. Ricard:**

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 of its agencies or departments and any provincial or municipal government, individuals or organizations, since January 1, 1958, in respect of the construction of a penal institution in the parish of St. Pie de Bagot.

Mr. Chevrier: Mr. Speaker, would the hon. member allow me to have this motion stand for the moment?

Mr. Ricard: Agreed.

Motion stands.

(Text):

OPINION ON LEGALITY OF IMPORT SURCHARGE ORDER

Motion No. 15—**Mr. Knowles:**

That an order of the house do issue for copies of correspondence or any other documents exchanged between the then prime minister or minister of finance or any other minister of the crown and the deputy attorney general with reference to the legality of the surcharge on imports order, P.C. 1962-902, dated June 24, 1962, and the amendment thereto, P.C. 1962-987, dated July 11, 1962, and the import control list as amended by P.C. 1962-903, dated June 24, 1962.

Mr. Chevrier: Mr. Speaker, the files of the Department of Justice do not contain any of the material sought by this motion. My understanding is that the orders in question were made after a discussion between members of the then government and officials of the departments concerned, including the Department of Justice, and that any opinions or views expressed on the legal aspects of the proposed orders were verbal only, contrary to the impression created at the last parliament.

Mr. Knowles: Mr. Speaker, if there are no written opinions, as we were led to believe was the case, I have no option but to let the motion drop.

Order discharged and motion dropped.

[Mr. Pickersgill.]

DIRECTOR OF COMPANIES BRANCH

Motion No. 16—**Mr. Fisher:**

That an humble address be presented to His Excellency praying that he will cause to be laid before this house a copy of all correspondence relating to the post of director of the companies branch, from July, 1959 to May 17, 1963, exchanged between the civil service commission, ministers of the crown, any applicants for the post, and any other person or persons, including those who hold provincial offices.

Mr. Pickersgill: Mr. Speaker, I wonder whether the hon. gentleman would permit this motion to stand until next week. I would like to discuss the wording with him.

Mr. Fisher: That is agreeable, Mr. Speaker.

Motion stands.

CANADIAN CORPS ASSOCIATION CORRESPONDENCE ON FLAG

Motion No. 17—**Mr. Mandziuk:**

That an order of the house do issue for a copy of all letters and other communications received by the Prime Minister since April 22, 1963, from the Canadian corps association on the subject of the Canadian flag, and all replies by the Prime Minister or by members of his staff to such communications.

Motion agreed to.

CONTRACT BETWEEN C.N.R. AND R.F. WELCH (B.C.) LTD.

Motion No. 18—**Mr. Howard:**

That an order of the house do issue for a copy of any contract or agreement between Canadian National Railways and R. F. Welch (B.C.) Limited.

Mr. McIlraith: Mr. Speaker, the document requested is one that has to do with the internal operation of the railway and, as the house knows, it has been the practice not to produce documents which come within that category. I understand that this has been the position taken by all governments since the C.N.R. act was first brought into operation in 1921. Therefore I would ask the hon. member to withdraw his motion.

Mr. Howard: It is a very interesting explanation, Mr. Speaker, but I will withdraw the motion.

Order discharged and motion withdrawn.

FINANCE

TAXABILITY OF $500 PAYMENT FOR WINTER HOUSE CONSTRUCTION

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister a question regarding an answer given yesterday by the Minister of Finance, who said:

A person who purchases the house as a personal residence for himself, where certain situations are not applicable that I will mention in a moment, will receive the $500 payment without income tax consequences.

I should like to ask the Prime Minister on what basis this order was made. Is it a regulation, is it an order in council, or under what circumstances were these various provisions made that are set out at page 883 of *Hansard*?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I am not able at the moment to comment on the answer given by my hon. friend in reply to the question asked yesterday, but I will be glad to look into it.

Mr. Diefenbaker: Possibly the Prime Minister could tell me—he should know this himself—whether any order in council was passed yesterday or the day before to this effect.

Mr. Pearson: I know of no order in council, Mr. Speaker, but I will be glad to look into it.

[*Later:*]

Mr. Diefenbaker: I should like to put a question to the Minister of Finance with regard to an answer he gave yesterday to my hon. friend from Digby-Annapolis-Kings. The question had to do with the $500 bonus to be paid to the first purchaser of a new house. On what basis was that answer given? Does it rest on a regulation which has been passed, or on an order in council?

Mr. Gordon: When the Minister of Labour announced certain proposals for doing things to provide more jobs this coming winter he included among them a proposal to stimulate the construction of houses during the winter months. The essence of the proposal was that a bonus of $500 should be granted to the first purchaser of any house which was substantially constructed during the winter period. That, obviously, was intended to reduce the construction costs of such a house. The minister of finance asked a question—I am sorry, I should have said "the former minister of finance"; I have been catching bad habits from my colleague the Secretary of State for External Affairs—the hon. member for Digby-Annapolis-Kings asked whether this bonus should be subject to income tax. I asked for time to look into this before replying directly, because I thought there might be some qualifications which should be included in any reply, as turned out to be the case.

Many of these points will be covered in the regulations issued and in the authority asked for in connection with this program, but as the question was a pertinent one and as it might have interfered with the program itself—and after all, the purpose of this program is to provide more jobs next winter —I thought it was proper to give an answer to the hon. member yesterday.

Mr. Diefenbaker: Mr. Speaker, possibly now, after that circumlocution of the minister, he will answer my question. When he made this statement there was in fact no regulation or order in council?

Mr. Pearson: Mr. Speaker, may I answer the right hon. gentleman by reminding him that when he brought in government policy with regard to assistance for designated areas some time ago the order in council to that effect was not passed for four months after he had made the announcement in the house.

Mr. Diefenbaker: Mr. Speaker, I can understand the obvious annoyance of the Prime Minister, but I am asking the question of the Minister of Finance. Was there an order in council or a regulation at the time he gave this answer to the house?

Mr. Gordon: No, Mr. Speaker.

[*Later:*]

On the orders of the day:

Hon. George C. Nowlan (Digby-Annapolis-Kings): Mr. Speaker, I should like to direct a question to the Prime Minister based on his rather angry interjection of a few minutes ago as the result of a question by the Leader of the Opposition, in which the Prime Minister referred to some order in council which had been passed at some time, the publication of which was delayed. I should like to ask the Prime Minister the subject matter of that order in council, the date of it and the identification of it, so that we can have the material before the house, in view of the insinuations which were contained in the interjection of the Prime Minister.

Mr. Pearson: If my hon. friend will put his good natured question on the order paper I will be glad to answer it.

APPLICATION OF BONUS TO HOUSES IN NORTH

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, I wish to address a question to the Minister of Labour. Can he inform the house whether the $500 bonus for winter house construction applies to winter houses built by or for the Indians and Eskimos in the Canadian north?

REPRESENTATIONS RESPECTING IMPLEMENTATION OF BLADEN REPORT

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): I should like to dare to ask the Minister of Finance a question.

Some hon. Members: Oh, oh.

Inquiries of the Ministry

Mr. Fisher: I should like to ask him whether he could tell us in substance what reply he gave to the automobile component manufacturers who, according to reports, have been visiting him recently with regard to their fears that he may be intending to introduce the recommendations of the Bladen report.

Hon. Walter L. Gordon (Minister of Finance): I shall dare to reply to the hon. member. I do not think I have seen any manufacturers of automobile component parts who have put that question to me.

REPORTED INTENTION TO INCREASE GOLD PRODUCTION SUBSIDY

On the orders of the day:

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I would like to address a question to the Minister of Finance. In view of persistent reports appearing in the press that the government may take steps to increase the production subsidy available to Canadian gold producers, which reports have been spurred by the statement made by his colleague the Minister of Mines and Technical Surveys, just a few days ago, would he tell the house whether in fact such a step is now contemplated by the government?

Hon. Walter L. Gordon (Minister of Finance): No, Mr. Speaker.

LABOUR CONDITIONS

STATEMENT BY MINISTER RESPECTING EMPLOYMENT AND MANPOWER DEVELOPMENT PROGRAM

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I would like to ask the Minister of Labour whether the statement he made on June 10, as set out in *Hansard* on page 823, is correct. The statement is as follows:

> The municipal winter works incentive program can be expected to do a more effective job in creating additional winter employment as a result of the municipal development loan fund which has already been announced.

Hon. A. J. MacEachen (Minister of Labour): It is not my custom to make statements, Mr. Speaker, which I regard as incorrect.

Some hon. Members: Hear, hear.

Mr. MacEwan: Arrogance.

Mr. Starr: Along this same line, Mr. Speaker, I wish to address a question to the Minister of Finance and ask him whether his statement is correct as—

Mr. Pickersgill: Mr. Speaker—

Some hon. Members: Sit down.

Mr. Pickersgill: —I am rising on a point of order.

[Mr. Starr.]

Some hon. Members: Order.

Mr. Pickersgill: I am rising on a point of order. My point of order is that the question period is for the purpose of asking urgent questions which have arisen since the previous day's proceedings, not for the purpose of engaging in debate or seeking to find out whether certain statements which hon. members regard as controversial are correct or not.

It seems to me that if we are to have debates substituted at this time for the business prescribed by the rules of the house we will never get to the business set for the day. Since this point has been raised, I believe it should be settled now.

Mr. Starr: On that point of order, Mr. Speaker—

Mr. Speaker: I should like to reply to the first point which was raised, if I may. Hon. members will realize it is difficult for me to decide on the admissibility of a question until I have heard it. On the other hand, the last two questions asked by the hon. member for Ontario do take on the nature of debate, and I do not think it is right to ask such questions at this time.

Mr. Starr: If I may comment on the point of order raised by the Secretary of State, I should like to point out that there is a great deal of urgency about this matter. A program has been announced which is supposed to have an important effect upon our economy and I want to get the facts clear, because in my opinion the statements made by the Minister of Labour and by the Minister of Finance are contradictory. Consequently members of this house and the people of this country cannot appreciate the full significance of what this program means. My question to the Minister of Finance is—

Mr. Pickersgill: On a point of order—

Mr. Starr: My question is whether the statement made—

Mr. Speaker: I am sorry to interrupt, but I understood the hon. gentleman was arguing a point of order. Now he has reverted to asking a question. However, may I draw the attention of hon. members to Beauchesne, page 148, subsection (t):

> It is not permissible to impugn the accuracy of information conveyed to the house by a minister.

Mr. Diefenbaker: On a point of order, there is no question of impugning the accuracy of information. It is a question of trying to ascertain which of two statements, which are contradictory, is the truth.

Mr. Starr: In fairness to members of this house I think this situation should be clarified

so that we and the country may know exactly what the policy of the government is in this respect.

Mr. Speaker: May I suggest to the hon. member that he put his question somewhat in this fashion—"Is it correct to say—" and so on.

Mr. Starr: Then I will ask the Minister of Finance whether his statement was correct when he said, in answer to the hon. member for Comox-Alberni:

> I did not mean that by saying they would dovetail. I really meant that the winter works program and this program will be administered in such a way that they will not be overlapping.

Hon. Walter L. Gordon (Minister of Finance): It would seem to me that the answer to this question should be eminently clear even to the hon. member for Ontario. If he had been here, and if we had made a little more progress in getting the resolution through yesterday, we could have got on to the bill and the whole subject would have been clarified.

Mr. Knowles: On a point of order, Mr. Speaker. Is it not correct that the rule that there should not be debate on the orders of the day applies to both sides of the house?

Some hon. Members: Hear, hear.

MUNICIPAL LOAN FUND—ELIGIBILITY OF MUNICIPALITIES PARTICIPATING IN WINTER WORKS

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I would like to address a question to the Minister of Labour, and ask him whether the municipal development loan fund will be available to municipalities that participate in the winter works incentive program?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, the answer to that question is yes.

PARLIAMENT HILL—REPORTED OVERTIME WORK WITHOUT OVERTIME PAY

On the orders of the day:

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I would like to address a question to the Minister of Labour arising out of an answer he gave yesterday. Can the minister report yet on whether people working on parliament hill at the repairs to the west block are in fact working 10 hours a day without overtime pay? If this is so, how does it square with the federal law regarding wages and hours of work? I ask the question because I for one do not like to walk through a picket line, as I did yesterday and today, to come to this building.

Inquiries of the Ministry

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I promised the hon. member for Kootenay West that I would look into this matter and provide a more detailed answer today. I shall do so now in reply to his question of yesterday and the question today of my hon. friend.

Because of emergency conditions entailed by the convening of the NATO conference in the west block last month an overtime permit was issued authorizing a maximum 10-hour day and 60-hour week, valid for the period February 18, 1963 to May 17, 1963. This permit required the payment of premium overtime rates of not less than one and one half times the rates of pay required under the governing labour conditions of the contract to all employees for all hours worked in excess of eight per day and 44 per week.

An inspection of the records of the prime contractor indicated that the governing labour conditions were being fully observed. Complaints, however, were received respecting the wage rates and hours of work for employees of a subcontractor and an adjustment of $6,304.35 was found to be necessary. This money is being recovered by the Department of Labour and will be paid out in due course to the workers concerned. A further inspection will be made of this contract to see that our fair labour conditions are being fully observed.

Mr. H. W. Herridge (Kootenay West): A supplementary question, Mr. Speaker. Would the minister admit that this demonstrates the value of an active opposition?

Mr. MacEachen: It certainly demonstrates the value of an active government.

DEFENCE PRODUCTION

DISMISSAL OF CANADAIR EMPLOYEE ON SECURITY GROUNDS

On the orders of the day:

Mr. David Orlikow (Winnipeg North): I should like to direct a question to the Minister of Defence Production. Has the minister received a complaint from Mr. Stewart Geddes to the effect that he was discharged from Canadair after seven years employment because the security division of the Department of Defence Production informed the company that he was a security risk, and that since then he has been unable to get other positions which were offered him, because the same information has been furnished to other companies? If so, is the minister taking steps to investigate these charges by Mr. Geddes?

Inquiries of the Ministry

Hon. C. M. Drury (Minister of Defence Production): I thank the hon. member for notice of his intention to ask this question. I did receive a letter from Mr. Geddes late last month indicating that he had been asked to resign from Canadair limited in Montreal just over a year ago. I have consulted with officials of Canadair limited, and am informed that Mr. Geddes was asked to resign, partly because of a cut-back owing to a reorganization of senior technical staff and partly because the company considered it good management to retain other senior engineers in preference to Mr. Geddes.

As to the difficulties which Mr. Geddes has had in obtaining other employment, I can only say that neither the Department of Defence Production nor the Royal Canadian Mounted Police has been asked to provide to any firm, or individual, information concerning the security status of Mr. Geddes. I should add that it is not the practice of either the Department of Defence Production or of Canadian government organizations concerned with security to furnish security information, except in response to a request relating to actual or prospective employees whose work calls for a security clearance.

DOMINION-PROVINCIAL RELATIONS

REFERENCE TO PROVINCES OF MUNICIPAL LOAN LEGISLATION

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): I should like to put a direct question to the Prime Minister. In view of the statement made yesterday by Mr. Pierre Laporte, Quebec municipal affairs minister, that municipalities of that province must not turn to Ottawa for help, is it the right hon. gentleman's intention to refer to the provinces the resolution on loans to municipalities before a further study of it is made in this house?

Right Hon. L. B. Pearson (Prime Minister): No. We propose to proceed with the discussion, and, I hope, the acceptance of this resolution by this house.

(Translation):

ADMINISTRATION OF JUSTICE

ENFORCEMENT OF LAW RESPECTING FRAUDULENT BANKRUPTCIES

On the orders of the day:

Mr. Gerard Girouard (Labelle): My question is directed to the Minister of Justice.

In view of the increasing number of fraudulent bankruptcies in Canada, does the Department of Justice intend to look more closely after the enforcing of the Bankruptcy Act in this country?

[Mr. Orlikow.]

(Text):

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

(Translation):

QUEBEC—LINK BETWEEN F.L.Q. SUSPECTS AND CUBAN COMMUNISTS

On the orders of the day:

Mr. Gerard Chapdelaine (Sherbrooke): Mr. Speaker, I should like to direct a question to the Minister of Justice.

In view of the recent developments concerning the investigation of the F.L.Q. and the reports published in certain American magazines and newspapers, could the minister tell the house whether he has received information to the effect that there is a close link between certain members of the F.L.Q. and the communist Cuban revolutionaries?

Hon. Lionel Chevrier (Minister of Justice): The answer is no, Mr. Speaker.

(Text):

TRANS-CANADA AIR LINES

WINNIPEG MAINTENANCE BASE—MEETING WITH MANITOBA DELEGATION

On the orders of the day:

Hon. Gordon Churchill (Winnipeg South Centre): Mr. Speaker, I should like to ask the Minister of Transport whether arrangements have been made for a meeting with a delegation from Manitoba to confer with representatives of the government concerning the retention of the overhaul and maintenance base of T.C.A. in Winnipeg. If so, when and where will the meeting be held, and which members of the cabinet will be meeting the delegation?

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, I had no notice of this question, but I can assure the hon. member that such arrangements have been made. I hesitate to put the precise time on the record, but it is in the near future; the precise hour and date have been fixed. The delegation will be met by the transport committee of the cabinet, and the meeting will take place in one of the committee rooms in the House of Commons. Some days ago advice to this effect was sent to the minister in the Manitoba government who is heading the delegation.

Mr. Stanley Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Will the members of parliament from Manitoba be permitted to sit in when this delegation appears before the government?

Mr. McIlraith: Mr. Speaker, they will be most welcome to sit in. I hope, though, that they will not follow the precedent of an earlier meeting which took place in somewhat similar circumstances on the same

subject; I would hope that this time we will be able to achieve a somewhat more satisfactory result than was achieved on that occasion. I hope that this time we will get a happier conclusion to the meeting, but in any event I want to make it clear that any hon. members who care to come in, subject to the room being large enough to hold them, are most welcome.

Mr. Churchill: Mr. Speaker, will it be permissible for the rest of the hon. members of this house now to enter into the debate which has been opened by the Minister of Transport?

NATIONAL DEFENCE

USE OF CANADIAN AIRFIELDS BY U.S. PLANES

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, I should like to address a question to the Minister of National Defence. This morning's *Globe and Mail* carries an article which says:

> The air defence commands of the Royal Canadian Air Force and U.S. air force have signed an agreement enabling U.S. interceptors to use 22 Canadian airfields more readily and with greater safety.

May I ask the minister whether this is correct and if it is the matter about which he told the house on May 29 he had received no official communication?

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, I saw the press report in this morning's newspaper relating to an alleged agreement between the commanders of the air defence commands of Canada and the United States enabling U.S. interceptors to use 22 Canadian airfields. I should like to state that this story had no foundation in fact whatever.

An agreement was signed in November, 1962 by the two commanders concerned, but this agreement referred solely to the application of peace time air traffic control procedures with respect to the interceptors of one country flying in the air space of the other, and the provision of supporting services when these aircraft are being serviced at bases in the other country. This concerns flights which take place in peace time in connection with air defence training exercises which are provided for under the NORAD agreement, and has no relationship to the question of dispersal of United States air defence squadrons, to which I referred on May 29 in the house.

TRADE

INCREASED IMPORTS FROM CHINA TO STIMULATE WHEAT SALES

On the orders of the day:

Mr. R. R. Southam (Moose Mountain): Mr. Speaker, I have a question I should like to direct to the Minister of Trade and Commerce. In view of the widespread concern expressed in the past few days by farm organizations and writers in farm papers with respect to the tough bargaining attitude of red China in connection with further wheat purchases by that country from Canada, could the minister advise this house, in view of his government's general advocacy of free trade, whether it is the intention of the present government to accept large increases in Chinese goods in order to help stimulate further wheat sales to that country?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, if this question is in order may I say to the hon. gentleman that we are conducting these negotiations in a way which I hope will have a successful outcome. I do not know what the results will be in terms of the particular matter raised by the hon. member.

Mr. Jack McIntosh (Swift Current-Maple Creek): A supplementary question. May I ask the Minister of Trade and Commerce, in view of what my hon. friend for Moose Mountain has said, and also in view of the report in yesterday's paper that Australia has sold her entire surplus of a record 1962-63 crop to red China and Japan, whether he can assure the growers of grain in this country that Canada will retain her share of the world market, even to the extent of giving ministerial assistance to the delegates over there at the present time, as was done by the former administration?

Mr. Sharp: I can assure the hon. member that we are doing our very best to recover the position we occupied some time ago. When I took over this portfolio our shipments and sales were low.

OIL—REPORTED U.S. INTENTION TO RESTRICT IMPORTS

On the orders of the day:

Mr. J. H. Horner (Acadia): Mr. Speaker, I would like to direct a question to the Minister of Trade and Commerce, which stems from an article in today's *Globe and Mail* headed "U.S. Revises Oil Import Quotas". The article goes on to say:

> —there would be no further rise in Canadian shipments for the remainder of 1963—

—and it says the formula setting the ceiling has been changed and the change will go

into effect on July 1. Is the minister prepared to discuss this with the United States authorities, because it will have a very detrimental effect on the economy of Alberta and Saskatchewan?

Hon. Mitchell Sharp (Minister of Trade and Commerce): Mr. Speaker, may I assure the hon. gentleman I have already discussed this subject quite thoroughly with the American authorities when I was in Washington the other day. The change that was made was one that I hope I had some influence upon, which enlarged the market for oil in the United States. I would like to supplement this, sir, by a statement that might be useful to the hon. member.

The amendments to the proclamation affect only districts I to IV of the United States, which is roughly that area of the United States lying east of the Rocky mountains. They do not affect district V, which is the west coast of the United States, and which takes more than half of our exports.

Reading the amendments to the proclamation in the light of my consultation with the United States authorities, to which I have already referred, I anticipate that our exports to districts I to IV for the second half of 1963 will be at approximately the same level as that of the first six months.

We have made arrangements for further consultation in relation to our future exports of oil and, as the house is aware, we have proposed to our American friends that joint studies be initiated concerning all forms of energy. I look to preliminary discussions being held in the near future to establish the guidelines for these studies.

AGRICULTURE

TURKEYS—REMOVAL OF QUOTA ON IMPORTS FROM U.S.

On the orders of the day:

Mr. A. D. Hales (Wellington South): Mr. Speaker, my question is directed to the Minister of Agriculture. On May 31 the minister said in answer to a question in the house that it was too early to say whether or not the quota on turkeys coming into Canada from the United States would be lifted as a result of trade negotiations at Geneva. I wonder if the minister is now in a position to make a statement?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, would the hon. member put this question on the order paper, please?

[Mr. Horner (Acadia).]

EGGS AND HOGS—CONTINUATION OF DEFICIENCY PAYMENTS

On the orders of the day:

Mr. Reynold Rapp (Humboldt-Melfort-Tisdale): I should like to ask the Minister of Agriculture if it is the intention of his department to continue to pay deficiency payments on eggs and hogs on a national weighted price annually, as these payments have been made in the past or is a change contemplated?

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, in reply to the hon. member I may say that we expect to make an announcement in this regard in the very near future.

CROP INSURANCE—APPROVAL OF MANITOBA PLAN FOR REINSURANCE

On the orders of the day:

Hon. Harry W. Hays (Minister of Agriculture): Mr. Speaker, the hon. member for Selkirk asked if I had had an opportunity to consider the request from the province of Manitoba relating to the Crop Insurance Act and if I had given approval to the Manitoba plan for the federal government to issue reinsurance.

I may say that proposals for federal reinsurance of part of provincial crop insurance risks were received from the provinces of Manitoba and Saskatchewan in 1961 but no decision with respect to these proposals has been reached to date. The government is studying the provincial proposals and a statement of government policy will be made in due course.

CHEESE—REPORTED INCREASE IN PRICE FOLLOWING SUBSIDY REDUCTION

On the orders of the day:

Mr. L. E. Cardiff (Huron): I should like to direct two questions to the Minister of Agriculture. Have Canadian exporters raised the price of cheese to the United Kingdom by one cent per pound since April 8, 1960? If so, would the minister tell the house the reason for this increase?

Hon. Harry W. Hays (Minister of Agriculture): The hon. member's question was:

> Is it true that exporters had to raise the price of cheese one cent per pound to counteract the reduction in the export subsidy imposed by this government?

The question of the pricing of cheddar cheese on the export market is a matter of negotiations between the exporters and the importers. It is understood that, because of the market situation, the Ontario cheese producers marketing board negotiated a price in Britain approximately one and a quarter

cents higher than that in effect at the close of the 1962 export season. During the 1962 season the price at which cheese was exported by this board to Britain rose two and a quarter cents.

I may add that the price of Canadian cheddar cheese in Britain is about as strong as it has ever been—

Mr. MacEwan: The cheese or the price?

Mr. Hays: Hon. members across the way who do not know anything about cheese ought to know that it has to be strong, and the price was strong, too. In so far as the price of milk is concerned for the production of cheese, it is now anywhere from 10 to 27 cents a hundredweight higher than it was a year ago.

FISHERIES

NORTH PACIFIC TREATY—STEPS TO INCLUDE SOVIET UNION

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, may I ask the Minister of Fisheries whether he can indicate to the house what steps are being taken and what progress is being made toward getting the Soviet union to become a member of the north Pacific fisheries treaty?

Hon. H. J. Robichaud (Minister of Fisheries): Mr. Speaker, this is a question which concerns the three countries which are taking part in the north Pacific treaty. It is probably being discussed now at the Washington meeting, but I do not believe this is a proper time for me to make any statement on this matter.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, I would like to direct a question to the Minister of Agriculture. When the minister in question took his oath of office on becoming a privy councillor and a member of the cabinet, was he legal mayor of the city of Calgary at that time, and is he still the legal mayor of that city?

Mr. Speaker: I am sorry, but that question is not in order.

ROYAL CANADIAN MOUNTED POLICE

INSTRUCTIONS RESPECTING MAINTENANCE OF VEHICLES

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Minister of Justice. My question is based on moral grounds. Has the minister any knowledge of a directive being sent to all commanding officers of R.C.M.P. detachments in Canada instructing them to have dealings with certain garages and so on, to the exclusion of others, with respect to maintenance of vehicles?

Hon. Lionel Chevrier (Minister of Justice): My reply is equally on moral grounds, Mr. Speaker, and it is in the negative.

REQUIREMENT THAT TELEPHONE COMPANY EMPLOYEES COMPLETE PERSONAL HISTORY FORMS

On the orders of the day:

Hon. C. M. Drury (Minister of Defence Production): On Friday last the hon. member for Winnipeg North Centre asked a question relating to the personal history forms required of employees by the Bell Telephone and other provincial telephone companies. His question was whether these were required by the Royal Canadian Mounted Police in order that their files on these employees may be complete.

The answer to that is no. By way of explanation I may say these contractors, including the telephone companies, who are engaged on contracts relating to security and classified work must obtain security clearance for all their employees engaged in such work, but only the employees engaged in such work. The Department of Defence Production requires such contractors to have personal history forms filled out by those employees designated by the contractors as the individuals who will be engaged in this work. This personal history form is the basis of the inquiry by the Royal Canadian Mounted Police. In so far as the government is concerned, the completion of these forms is required only of those contractors who have to have access to classified information, and in so far as their employees are concerned the forms are required by the government only in respect of those employees who need to have access to classified information or will be working on classified sites.

Mr. Stanley Knowles (Winnipeg North Centre): I thank the minister for the answer to this question. May I ask, by way of a supplementary question if either the Minister of Defence Production or the Minister of Justice can explain why so many employees who have no connection with anything that is classified or in the realm of security are being required to complete these forms? Could we also be told why the form has not been revised, as was promised by the previous government some months ago?

Mr. Drury: I think the hon. member for Winnipeg North Centre will understand that this government accepts no responsibility for promises made by previous governments.

Some hon. Members: Oh, oh.

Mr. Drury: Let me qualify that by adding, promises of that nature.

Some hon. Members: Oh, oh.

Mr. Drury: This form is in the process of being reviewed at the present time and it is hoped that in the not too distant future the results of that review will be made known. I am unable to answer the question as to why so many employees have been asked to fill out this form without knowing either the names or specific instances in which this has been done in an apparently unrelated way. If the hon. member for Winnipeg North Centre will furnish me with names on which I can check I will be very glad to do so.

Mr. R. Gordon L. Fairweather (Royal): I have a supplementary question, Mr. Speaker. I would ask the Minister of Defence Production whether the ideological beliefs of uncles and aunts are taken into consideration when security clearances are given for these employees.

Mr. Drury: Mr. Speaker, as this question regarding ideology relates more to security in general, perhaps the Minister of Justice might respond to it.

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, I do not think the supplementary question deserves a reply—

Some hon. Members: Oh, oh.

An hon. Member: Arrogance, again.

Mr. Chevrier: —but in any event I would remind the hon. member that anything having to do with uncles and aunts in a particular case to which the hon. member has reference was in 1960 or 1961, long before this government ever took office.

Mr. Knowles: A supplementary question, Mr. Speaker. When this form is being reviewed, will regard be had to the human rights legislation in the provinces and to the Canadian Bill of Rights, so that questions regarding race will not be included?

Mr. Drury: Mr. Speaker, I think I can give the assurance that in this review all the appropriate legislation will be taken into account.

PENSIONS

QUEBEC—REPORTED LEGISLATION RESPECTING PORTABLE PENSIONS

On the orders of the day:

Mr. R. Gordon L. Fairweather (Royal): Mr. Speaker, I wonder whether the Prime Minister would answer the question about portable pensions that I put to him yesterday, which he asked to take as notice, and which has now been given widespread newspaper publicity.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I apologize to the hon. gentleman. I had hoped to discuss this matter with the minister in question but she is out of town. I will deal with it tomorrow.

LABOUR RELATIONS

NORRIS COMMISSION—INQUIRY AS TO REPORT

On the orders of the day:

Hon. Michael Starr (Ontario): Mr. Speaker, I would like to address a question to the Minister of Labour and ask whether he has yet received the Norris inquiry commission report and, if so, is he able to table it?

Hon. A. J. MacEachen (Minister of Labour): Mr. Speaker, I have not received this report yet, and I regret that the information I gave my hon. friend last week turned out to be a bad forecast. The report has not been delivered, and it will be tabled at the earliest possible moment after it is delivered.

BUSINESS OF THE HOUSE

REQUEST FOR APPOINTMENT OF STANDING COMMITTEES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, this time I am addressing my question to the Secretary of State. In view of the fact that this house has already referred a number of items to standing committees and in view of promises that have been made that other matters will be referred to standing committees, can the Secretary of State say when the standing committees of the house will be established?

Hon. J. W. Pickersgill (Secretary of State): It is my hope, Mr. Speaker, that it will be possible for the chief whip to convene a meeting of the striking committee on the first occasion the six members of that committee can find time to meet together for the purpose of settling the party quotients on the committees, and as soon after as names are supplied a motion will be made to establish the committees.

I regret, and I know the hon. member who asked the question regrets, the fact that the efforts made to reduce the size of these committees and make them more manageable, which were acceptable to three of the four parties in the house were not acceptable to the fourth. The committees would have been

set up earlier, I imagine, if these negotiations had not been carried on. But I am hopeful that when the committee on procedure is set up—and I should like to move the motion to set it up right now if it could be done without debate—this matter can be considered by that committee.

Mr. Churchill: On a point of order, Mr. Speaker, the Secretary of State and house leader is attempting in these remarks he makes periodically to cast aspersions on the opposition.

Some hon. Members: Oh, oh.

Mr. Churchill: The delay in this matter is solely his. If he would get busy at his job and get these committees set up they would be operating, but he is delaying his task. He will not let his whip meet without him sitting beside the whip or being right at his elbow. Let the whips of the parties get together and they will settle this thing within half an hour.

Mr. Pickersgill: Mr. Speaker, on a question of privilege, I believe it is against the rules of the house for one hon. member to make a personal attack on another. I would be the last member of this house to take refuge in that kind of point of privilege.

Some hon. Members: Oh, oh.

Mr. Pickersgill: I do intend to set the facts straight. I am a member of that committee duly appointed by this house and the hon. gentleman under the rules has no right to reflect on a decision of the house. If he understood the rules he would know that. I have as much right to attend that committee as any other member of the committee. It had only one meeting and the only absentee from that meeting was the hon. member for Winnipeg South Centre. Furthermore, I might say that if he would keep a little closer to the elbow of his chief whip they would not disagree publicly in the press about this particular matter.

Mr. Speaker: Order.

Mr. Churchill: I am rising on a question of privilege, Mr. Speaker.

Mr. Speaker: I would remind hon. members that the Speaker is here to protect all hon. members.

Mr. Churchill: On a question of privilege, Mr. Speaker, I request your protection against the personal attacks made upon me by the Secretary of State.

Some hon. Members: Oh, oh.

Mr. Speaker: Order. The hon. member for Simcoe East.

RESUMPTION OF DEBATE ON DEPARTMENT OF INDUSTRY

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I would like to address my question to the Secretary of State. In his dual capacity as Secretary of State and government house leader, would he be able to indicate when he expects we might be able to resume the debate on the resolution preceding the legislation to establish a new department of industry?

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, I would hate to prevent it by prolonging my answer.

NATIONAL PARKS

ESTABLISHMENT OF PARK AT LAKE COUCHICHING, ONT.

On the orders of the day:

Mr. P. B. Rynard (Simcoe East): Mr. Speaker, I should like to ask the Minister of Northern Affairs and National Resources whether his department has any plans to establish a national park on Big Chief island in lake Couchiching? If consideration is being given to such action, has the department any plans to include in the park a memorial burial ground in memory of the Indians of that area who are buried there?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): Mr. Speaker, at this time I have no knowledge of any such intention but I will take the question as notice and write my hon. friend.

(Translation):

TRANS-CANADA HIGHWAY

REQUEST FOR EXTENSION IN MONTREAL AREA

On the orders of the day:

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): Mr. Speaker, I should like to put to the Minister of Public Works a question relating to the one I asked him earlier. Could the minister tell the house whether the federal government approves the project of the Quebec minister of highways regarding the extension of the trans-Canada highway in metropolitan Montreal?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, the officials of the provincial department of highways and of my department will be meeting very shortly. The plans will be submitted to us and then we will be in a position to reach a decision.

Inquiries of the Ministry

(Text):

HEALTH AND WELFARE

ROYAL COMMISSION—INQUIRY AS TO REPORT

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I ask the Prime Minister when he expects to receive the report of the royal commission on medical care headed by Mr. Justice Emmett Hall?

Right Hon. L. B. Pearson (Prime Minister): I am not sure, Mr. Speaker, but I will be glad to look into the matter and reply tomorrow or Monday.

LIVESTOCK

ALBERTA—MARKETING OF CATTLE BECAUSE OF DROUGHT

On the orders of the day:

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, on Monday last the hon. member for Medicine Hat asked if it would be possible to open up additional acreage at the defence research board Suffield research station for grazing. As the hon. member knows, some 142,000 acres have been released and are now controlled by the Department of Agriculture for emergency grazing and I regret that more land cannot be made available without seriously affecting the defence research operations. To allow a larger percentage of the property to be filled with livestock would make it impossible for the experimental work to take place.

I should point out that the 142,000 acres referred to were originally turned over to the Department of Agriculture in 1961 on account of the acute drought then being experienced in that area and were for emergency grazing only. As the drought continued, this emergency measure has been extended to 1962 and 1963. I should also add that in addition to the provision of grazing areas hay has been cut under Department of Agriculture supervision and made available to the ranchers.

BROADCASTING

OTTAWA—REFUSAL OF LICENCE FOR FRENCH LANGUAGE STATION

On the orders of the day:

Hon. G. J. McIlraith (Minister of Transport): Mr. Speaker, yesterday the hon. member for Berthier-Maskinonge-Delanaudiere asked me this question:

Can the minister confirm that he has advised the board of broadcast governors of his refusal to recommend the granting of a licence to Radio-Prestige for a private French speaking radio station in Ottawa, such a refusal being contrary to the B.B.G.'s decision?

[Mr. Deschatelets.]

He also asked this supplementary question:

Does the Minister of Transport know that this application for a permit has been warmly supported by one of the most representative organizations of the French minority of Ontario, that is the French Canadian association of education of Ontario?

The answer, Mr. Speaker, is as follows:

Early in February of this year the board of broadcast governors recommended the granting of licences for two new French language radio stations in the Ottawa area. The new stations were the French language radio station of the Canadian Broadcasting Corporation, and the other a private station referred to in the question as Radio Prestige. The decision to grant the C.B.C. licence as recommended was taken on May 23. The decision not to approve the issuance of a licence for Radio Prestige was also taken on May 23. This latter decision ne vient pas en contravention avec la décision du B.G.R.

In so far as the supplementary question is concerned, Mr. Speaker, the minister does not know that the application had been warmly supported by the French Canadian education association.

Hon. Paul Martineau (Pontiac-Temiscamingue): The minister just said that the decision was not in contravention of a decision rendered by the B.B.G. If it is not in contradiction, will he say that the decision is contradictory?

Mr. McIlraith: No; under the legislation the board of broadcast governors have authority to recommend a station for a licence. Then, under the act, the governor in council must grant or refuse the licence.

GRAIN

POSSIBLE INCREASE IN GRAIN HANDLING CHARGES

On the orders of the day:

Hon. Harry W. Hays (Minister of Agriculture): Yesterday, Mr. Speaker, I was asked if I had been informed of the meeting of the board of grain commissioners in Vancouver in the near future to consider a possible increase in elevator grain handling charges, and if the Department of Agriculture had any power to regulate these charges since any increase would be of great concern to prairie farmers.

The department has been informed of the meeting to be held by the board of grain commissioners in Vancouver on July 3. This is a routine meeting held annually at which interested parties are invited to meet with the board and present any submissions

respecting the maximum storage and handling rates for grain authorized by the board for each crop year. Similar meetings are held each year at Winnipeg and at an easterly point, as well as in Vancouver in the month of July.

The authorized maximum rates are established each year by the board under the authority of section 15 of the Canada Grain Act. Every regulation established by the board must, by section 17 of the act, be transmitted to the minister and the same section provides that the regulation may be disallowed by the governor in council.

I might add that there has been no substantial increase over the past few years, or at least the increases have been very small.

INDIAN AFFAIRS

INQUIRY AS TO SETTING UP OF COURT OF CLAIMS

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, on May 28 my colleague the hon. member for Comox-Alberni asked the Minister of Citizenship and Immigration what steps were being taken to introduce a measure to establish a court of Indian claims, which subject matter had been introduced during the speech from the throne. At that time the minister answered the matter was under consideration. I wonder if he could tell us whether or not that consideration has been completed and when we might expect the bill to be introduced?

Hon. Guy Favreau (Minister of Citizenship and Immigration): In reply to this question I must say that the question of what system or what device ought to be established, whether an Indian claims commission or other, for the eventual settlement of these claims is one of government policy which will be announced in due course.

Mr. Howard: May I ask a supplementary question? How does the minister square this statement with the Liberal party's promise to do it immediately?

Mr. Speaker: The hon. member knows quite well that is not a proper question to ask.

(Translation):

PUBLIC WORKS

FORESTVILLE, QUE.—DESTRUCTION OF WHARF BY FIRE

On the orders of the day:

Mr. Gustave Blouin (Saguenay): Mr. Speaker, I should like to direct a question to the Minister of Public Works.

Is the minister aware of the fact that Sunday night, June 9, the Forestville wharf was destroyed by fire?

Since the wharf in that locality is vital to the supplying of the population, what urgent action does the minister intend to take in order to cope with that serious and urgent problem?

Hon. J. P. Deschatelets (Minister of Public Works): Mr. Speaker, my attention was called to that fire and I must say that I regret, with my hon. friend, the disadvantages this disaster will cause to the citizens of Forestville. I asked our Quebec office to dispatch an engineer to that locality immediately. As soon as we get his report, proper action will be taken to meet the needs created by that serious fire.

(Text):

Some hon. Members: Order paper.

(Translation):

ARTS, LETTERS AND SCIENCES

INQUIRY AS TO CABINET COMMITTEE ON BICULTURALISM

On the orders of the day:

Mr. Gilles Gregoire (Lapointe): Mr. Speaker, I would like to ask the President of the Privy Council a question.

In view of the announcement made a few moments ago with regard to the formation of a cabinet committee to study the biculturalism situation in the federal administration, for which I indeed commend him, would the minister tell us who will be the other ministers sitting on that committee?

Hon. Maurice Lamontagne (President of the Privy Council): Mr. Speaker, I do not believe that it is in the parliamentary tradition to reveal the names of the members of the cabinet council on such a committee. I shall inform myself further and, if need be, I shall answer later.

Mr. Gregoire: Mr. Speaker, I should like to ask a supplementary question. Can the minister tell us whether he and his committee will also accept suggestions and information from other hon. members of the house?

Mr. Lamontagne: I shall always be happy, Mr. Speaker, to hear any recommendation from the "Gregoire commission".

Mr. Gregoire: Mr. Speaker, I should like to ask another supplementary question. Will that committee also have jurisdiction with regard to the crown corporations?

Mr. Lamontagne: As I mentioned in my statement, crown corporations will be included.

Establishment of Industry Department

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, I wish to put a question also in relation to the statement made earlier by the minister.

The minister has told us that a committee of ministers had been established to study the minority report of the Glassco commission. Can he tell the house if, up to the present, his government has done anything besides studying those measures and recommendations?

Mr. Lamontagne: Mr. Speaker, we have received the complete report only this morning; I think that the hon. member should be the last one to blame us for our delay in this field.

(Text):

INDUSTRY

PROVISION FOR ESTABLISHMENT OF DEPARTMENT

The house resumed from Monday, June 10, consideration in committee of the following resolution—Mr. Pearson—Mr. Lamoureux in the chair:

That it is expedient to introduce a measure (a) to establish a department of industry to be presided over by a minister of industry who shall be appointed under the Great Seal of Canada, to authorize the appointment of a deputy minister by the governor in council, and to provide for the appointment to the department on a temporary basis of persons having special knowledge of manufacturing industries to assist in the work of the department; (b) to provide for the establishment under the direction of the minister of an area development agency and to provide for the appointment of a commissioner and a deputy commissioner for area development; and (c) to make a consequential amendment to the Salaries Act to provide a salary for the minister.

The Chairman: Shall the resolution carry?

Mr. Horner (Acadia): Mr. Speaker, I rise to speak on this resolution with a certain amount of hesitation because I am wholly in support of the object of this resolution which the government believes will create more employment. I am sure every hon. member of this house is behind the object, at least, of the resolution. The question is, how will it accomplish this object and when will it be possible, for it to be accomplished? We see in the resolution that an area development agency will be set up and a commissioner and deputy commissioner will be appointed. The question remains in my mind, how will they go about creating, promoting, starting new industry and perhaps maintaining industry already established?

When I consider the intention of the government to create and maintain industry my mind goes back to my days in Saskatchewan when that province decided to get into industry. I am not going to repeat what has been said many, many times in this house about Saskatchewan's endeavours to get into industry. They did so in a nationalistic sort of way which I think has been proven time and again to be not too successful in creating jobs, certainly not too successful in maintaining industry and certainly not too successful in maintaining the population of that province. I think population is the crux of the problem. We have a growing population in Canada and we must create and provide job opportunities for our growing population. We have ample resources; we have a high standard of education throughout Canada; we have a high standard of living. With these ample resources and with people willing to work, we should be able to provide job opportunities for them. I believe that these opportunities lie within our natural resources.

I note with some interest that somehow or other this department of industry is going to enable Canada and Canadians to perhaps regain control of our natural resources. This is very interesting to me, coming from Alberta, where the greater percentage of our natural resources are owned and controlled by foreign capital and certainly by foreign people. How a department of industry established by the federal government can make provision whereby we can regain control of this tremendous wealth is a very interesting proposition and bears at least careful watching.

I think that in developing natural resources, providing the proper financial help and perhaps the starting of secondary industry, we have part of the solution to the unemployment problem in Canada. This problem is not confined to Canada alone; it is perhaps a problem in all western countries today. I think the first thing that bears watching with regard to the development of a department of industry is how well this department can be co-ordinated with the other departments of government. There is no sense, for example, in one department trying to promote industry while another department carefully and systematically goes about causing industrial and economic upheaval throughout the country. I have in mind an example which is very evident in western Canada. In Saskatchewan, they are facing an application to abandon 1,008 miles of railroad. This, if carried out, will no doubt cause a tremendous upheaval of small industries, certainly in towns through which the railroad is now running. It is bound to cause economic upheaval and loss of jobs in many areas in western Canada. I refer to Saskatchewan; but there are also plans to abandon railways and shift rail development in the province of Alberta. I think this need to co-ordinate the activities of every government department in relation

to the establishment and encouragement of new industry will be one of the biggest problems to face this new ministry when it is set up.

Much has been said about the development of industry in Saskatchewan. We have an industrial development board which is prepared to help new industries get started. This board has made some worth-while contributions toward the development of industry in Alberta. How will this new department co-ordinate the work of agencies which are already working in this field in the various provinces across Canada?

Another matter which should perhaps be first on the list of priorities facing the new department of industry is the creation of a market. It is useless establishing a department if there are no markets for the goods which industry can produce. Along with the development of industry we must co-ordinate our trade policies and be prepared to help create new markets for industries which may be established. When thinking about a department of industry we naturally have in mind those fields of industry in which the government is already engaged. I mention the Canadian National Railways. I could also mention defence production, which has played a tremendous role in promoting and maintaining industry in this country. Certainly, the Department of Defence Production must co-ordinate its activities closely with those of the new department, if and when it is established.

I hope that the new department will not require industry to submit more and more forms for transmission to the dominion bureau of statistics. I am informed that industry today is trying to cope with a backlog of forms which must be filled out to keep the government abreast of the developing country it is trying to govern. I hope that setting up a department of industry does not mean we will try to take over any part of the management of the industry already established, or attempt to do so by requiring management to fill out still more forms, thereby creating further overhead costs for young industries becoming established, perhaps, in areas of considerable risk.

I think one of the best ways in which a department of industry could help found and maintain new industry would be by making available information with regard to markets. The Department of Trade and Commerce under the former minister made great strides in this direction, and the new department of industry will, it appears, be taking away part of the duties of the well-established older department. However, making information available to new industries with regard to actual or potential markets will be one of the main duties of the department of industry when it is set up.

It is also my belief that the department of industry will have to co-operate closely with the Department of Finance. It is interesting to note that in the report of the industrial development bank for 1962 mention is made of a substantial increase in the number of borrowers in comparison with 1956. In 1962, over 2,000 loans were made, 166 of them to manufacturers, compared with some 300 in 1956. This is certainly a marked acceleration in the lending program and it has been made possible by amendments to the act brought in with regard to the lending powers of the industrial development bank. It is a development which illustrates the need for close liaison with the Department of Finance, because it takes capital to establish new industries, it takes capital to maintain them and it takes capital for new industries to find markets and sustain them so that a successful business may result.

In my opening remarks, I pointed out that the development of new industry must be tied closely to the development of the resources of this country. I can think of several examples of such resources, for instance, mines and minerals; gas and oil. There are right now two or three pulp mills operating in Alberta. Why is the paper not made in Alberta? This is a question which is often asked with regard to the pulp and paper industry generally. This is a step which could be taken if our resources were under our own ownership and control, but in many cases, such as the case of the pulp industry in Alberta, the operation is controlled by United States interests; they ship the raw pulp to the United States to create jobs there by having the pulp refined and made into paper in that country. If proper steps were taken, this pulp could certainly be manufactured in Canada.

One of the most important resources Canada has is its water—water power generally. We are all aware that industry needs water in a constant and steady supply. I believe Canada's greatest potential wealth lies in our water resources. This is why it is so important that the department, when it is set up, should co-operate in taking a close look at long range plans for water development in Canada, relating those plans to industrial development generally. In this connection, I cannot help but think of the refusal on the part of the province of Alberta to go along with a study of the water resources of that province as well as of the whole eastern Rockies watershed. This is bound to be a hindrance to any long range

planning with regard to water development, a development so vital to the needs of industry today.

This situation provides another reason why the government and the proposed department of industry should work in close liaison with the provinces with regard to all these matters. We have seen, recently, the introduction of a resolution to establish a municipal loan fund. The resolution before us seeks to establish a department of industry. Yet there has been very little consultation with the provinces on either of these projects. I think the government would be wise in both cases to take time out to consult with the provincial authorities in every province and to convince them that their collaboration is needed with regard to these resolutions.

I think in establishing a department of industry one of the basic principles should be that of working toward a decentralization of industry. Many of our town planners today will tell you that once a city reaches a certain size, say a population of 300,000, it becomes inefficient in its operations. I just use that figure, which I think is the figure generally used by city planners. I think this is a basic principle which a department of industry should take into consideration. It should work toward a decentralization of industry, because we all know the difficulties in some of our larger cities. For instance, there is the problem of the people in those cities getting to and from work.

I shall be looking forward to this bill when it is presented to the house, to see how close will be the liaison between the department of industry and the industrial development bank, for example. Will the industrial development bank be shifted into the department of industry? I think if we are to have a tied-in relationship, it might be more feasible under a department of industry, if one is to be established. Some years ago the Farm Credit Corporation used to be under the Department of Finance. Since we have moved that loan board to the Department of Agriculture I think there is no question that it has done a much more efficient job; it has lent money to farmers and tried to meet their needs. I think there is a similarity there in the establishment of a department of industry. The industrial development bank has stepped up its loans over the last year or two a great deal, and I think it could perhaps play a greater part and work a little more closely with industry if it were put under a department of industry.

Last but perhaps not least, I think the bill to set up the department of industry should include some long range planning with regard to water development. It should maintain industry already established, and in my recommendations to the government in establishing this department of industry I would certainly advise them to take a good look at the lesson learned by the previous and present governments of Saskatchewan in their efforts to establish industry. I do not think that governments should spend the people's money in establishing industry and try to compete in a subsidized industry with industries already established. This was the sorry example in Saskatchewan and I do not think we should repeat it on the federal scene. I think much can be done with regard to providing information on the proper liaison between, and development of, our resources; in providing capital for industry to become established; and creating the proper climate for markets for industry, once it is established. In thinking of markets, one can think only of the trade policies of the last few years. We have seen a greatly stepped up trade program. We are now exporting more manufactured goods than ever before. We have arrived at a trade surplus which I think, through the aggressive trade policies of the former government, has aided industry generally. We have had export credit increased, and this all ties in with a department of industry, if such is to be established. While I question whether the setting up of this department is feasible, as I mentioned in my opening remarks, I should like to end on a note of support for the object and intent of this move, which is to create an improved employment situation in this country, and I hope that through close liaison with other departments this is accomplished.

(Translation):

Mr. Gauthier: In view of the introduction of the resolution to provide for the establishment of a new department of industry, I should like to put a few questions to the Prime Minister (Mr. Pearson).

As the Prime Minister said in his speech of Friday last that:

> the functions of the new department will be to maintain close and practical contact with industry, to make sure that industry gets service from government,

—can we hope that our trucking industry will benefit from all those advantages, so that it can survive the giant competition of a crown corporation, the C.N.R.?

In fact, Mr. Chairman, the Canadian trucking companies represent a most important asset in our national economy. I even believe that that private industry employs more labour and puts more money in circulation that the C.N.R.

Think of all the service stations, garages and repair services, etc., which supply all those trucks. While the C.N.R. do their own

repairs since they have their own repair shops and storages, the trucking industry needs all our businessmen to operate.

Therefore, it is not fair to allow any longer the C.N.R., which is supported by our taxes and those of these truckers, to attack so viciously one of our best industries which, by the way, never did cost any deficit to the Canadian people.

We are confident that the future department will deal, in the first place, with the depressed areas, that is areas where unemployment is most severe. On that score, I think Quebec will be its first field of action. The various services to be provided by this new department will certainly be a valuable contribution in the effort to be launched any day to encourage the regrouping of our family industries.

As regards provincial autonomy, I do not see what new danger such a department could offer, since in fact it already exists in the Department of Trade and Commerce And I do not think it will be through this department that the federal government will lay hand on our autonomy, as long as the future department will remain in the field of services.

Besides, I am wondering nowadays whether the alleged intrusion of the federal government upon our industry is not preferable to that of the United States. That intrusion is increasing at an amazing speed because of the rigidity of the Canadian government towards our monetary policy. Let us keep on that tight money policy, and we shall open wider the door to foreign investments, thus losing the control over our Canadian economy.

If I may, I should like to quote a man who is certainly not a Social Crediter since he vigorously fought our philosophy during the last election campaign. But today, in face of the real danger, he has to wake up to reality.

He is even a good Liberal, and bears the stamp of high finance. But he is nevertheless a Canadian when he becomes serious. That is why he is now voicing this warning, with which he taunted the Social Crediters not so long ago.

I want to quote here from a press report published in *Le Devoir* of June 7, on page 13, under the signature of Mr. Kierans.

Mr. Kierans said:

Canada must have a more flexible monetary policy. The president of the Montreal stock exchange, and the Canadian stock exchange, Mr. Eric Kierans, yesterday stated his support of more flexible exchange rates and monetary policy. Addressing the Canadian association of political science at Laval University, Mr. Kierans stated that our economic system is presently organized so as to maintain an external balance and that the exchange rates particularly control our economic affairs.

He feels that a tighter monetary policy would increase our economic dependence on the American market because Canada would not be able to develop its own natural resources. The United States, he said, at present have surplus capital which will be invested in Canada if the opportunity arises.

"It is even possible that the Canadian finance corporation which was created to buy back Canada from the United States, be financed by American capital."

If Canada adopts free trade policy, we will have to reorganize our industrial sector to meet foreign competition. Should we adopt a tight money policy, that would become impossible.

"We have done nothing to prepare our economic system for the cold shower of free competition."

LACK OF KNOWLEDGE

Mr. Kierans deplores the lack of knowledge on the activities of Canadian corporations. During the austerity program of last year, the staff of the dominion bureau of statistics was reduced and the information on corporations and labour organizations was reduced.

"How can we get any information about Canadian policy when the facts are kept hidden from those who could criticize them constructively?"

Mr. Kierans revealed that, from 1950 to 1960, industrial investments varied from $9.1 billion to $21.1 billion, while profits decreased from $861 million to $831 million.

Mr. Kierans is of the opinion that tariff barriers which are meant to protect certain "infantile" industries are nothing but traps because nothing can help those industries become more competitive when they become big enough to face foreign competition. Because of tariff barriers, other countries are not interested in buying from Canada.

Mr. Kierans believes that the Canadian manufacturing industry should invest more in branches, as the United States do, especially in Asia, Africa and Latin America.

Mr. Chairman, I am opposed to any intrusion by the federal government but I am even more opposed to the carelessness, the lethargy of some provinces in the economic field.

I am a little ill at ease but I find that provinces which are the least developed economically—because they failed to elect a young, active and sincere government—are the ones that always cry out more loudly for autonomy. The administrators of those provinces look very much like people who see their house on fire, do not worry much about it and criticize the neighbours who want to come to their help. And to think that in my

province today those who claim to be the greatest defenders of that autonomy are the ones who sold it the most shamelessly.

I am getting more and more convinced that the secret of autonomy is for each one to give all his talent, all his energy to the building of his own house, in order to give his own household happiness in security.

We are anxious to know the real functions of that department because we hope it will be the safest defence against outside intrusion, if it leads Canada towards the conquest of its economy through the ownership of its industries.

(Text):

Mr. Coates: Mr. Chairman, it is with pleasure I enter into the debate on this very important resolution which will see the establishment of a new department of government. I look forward to the bill that will follow this resolution, and I hope that in it we will find some explanation of what is hoped to be accomplished by establishing a department which already has a counterpart in the government of Canada.

As I come from the constituency of Cumberland, where there is an aircraft industry very important to the economy of the area, I had a great deal to do with the former minister of defence production, the Hon. Raymond O'Hurley, and I would like to say that Mr. O'Hurley was a man who was fully cognizant of the problems of my area and did his very best, in every way possible, to see it got a good share of the defence contracts that were available, so that my constituents would have more employment and a better living standard.

I would recommend the policies followed by Mr. O'Hurley to the minister, as Minister of Defence Production, and also as minister of industry if he should assume that post. In this regard I might say that I feel the defence production aspect of the new department of industry should be of paramount concern to the minister. I cannot quite anticipate why the government is so terribly anxious to set up a department of industry when it already has the Department of Trade and Commerce and I fear that there will be repetition of effort and that confusion will develop from the fact that there will be two departments which in many instances will both be obligated to carry out the same tasks, tasks that are very important to the economy of our area.

I also cannot appreciate the government's concern for industry at a time when industry is booming, and has been booming for a period of more than a year. The white paper tabled in the house Tuesday indicates that our gross national product has passed the $40 billion mark. This is not an indication that business is in need of greater guidance from government. Indeed, having looked at the speech from the throne and the government's proposed program may I say that business could very well be hindered materially by the type of legislation we are now having placed before us, with the indication that it is supposed to stimulate the economy to even greater heights. An economy that has had an 8 per cent rise in the gross national product, an economy in which the consumer price index has only gone up by 1.2 per cent is not the type of economy that you want to fool around with a great deal; and if the businessmen of this country are capable of demonstrating that they are able to run their businesses and do their jobs as efficiently as they have in the past two or three years, I do not think we should be putting any more roadblocks in their way in the form of bureaucracy.

I should like to return to the aircraft industry that I have in my constituency, which is encountering difficulties at the present time, difficulties which my constituents were led to believe by the Liberal candidate would evaporate into the air if a Liberal government with all the answers was elected. The Liberal party was able to obtain more seats than any other party in this country. They are in the seat of government today. But my constituents have not seen anything evaporate, unless it be their jobs in the aircraft industry. This is not the type of evaporation that my constituents were led to believe would develop. Yes, Mr. Chairman, there are many problems facing the aircraft industry today, problems on which the Minister of Defence Production should be spending his time rather than endeavouring to usurp the responsibilities of the Minister of Trade and Commerce, who I feel is quite capable of looking after the job he has been given to do.

The defence sharing program developed by the former Conservative government through the then minister of defence production, minister of finance and minister of trade and commerce with our friends in the United States has been very beneficial indeed. To give an indication of just how beneficial one only needs to refer to a recent statement to the press by the present Minister of Defence Production in which he outlined among other things that between 1951 and 1958 Canada had an unfavourable balance of trade in defence production contracts of $49 million, and from that time to the present we have had a favourable balance of trade of some $80 million. I would say this is a pretty fair example of just how effective the past government was in getting defence contracts for

defence plants in this country. Certainly we want to see more of this done no matter what government is in power. Anything the minister can do to assist in this regard is something that we will applaud, and rightfully so because it will mean more work, more employment, more dollars in the pockets of our people.

What is a little disconcerting to me is that the Minister of Defence Production now states that they are going to try to balance off defence production sharing so that the United States will not have an unfavourable balance of trade in this connection. If this is the type of work that the present Minister of Defence Production is going to carry out as minister of industry, if he is going to try to see that more work is put into United States plants that could be done by workers in Canada, he is not going to be making much of a contribution either to the economy generally or to the aircraft industry of this country. If he is going to do it in some other way, I should like him to explain to the house how he is going to do it. I think it is most important for us to know exactly what it is he has in mind in this regard. The Halifax *Chronicle-Herald* in an editorial on June 8 indicated very great concern about his statement and I believe they should be enlightened as to his new approach regarding defence production sharing, as should members of this house.

I think the Minister of Defence Production should also take cognizance of the fact that this aircraft industry in the town of Amherst, which is very efficient and has highly skilled workmen who have done a tremendous job for many years in aircraft repair and overhaul, is in desperate straits to day. They are laying off men. We do not want jobs to evaporate. We want the problems to evaporate, as the Liberal candidate told us during the election campaign would occur. It has not occurred to date. Of course, there are a few days left in the days of decision. Possibly the minister can get a decision on a contract which this firm is negotiating at the present time with a United States concern in order to put our people in Cumberland county back to work through the firm getting a contract which they deserve on the basis of their efficiency. On the basis of the new relationship that the present government is supposed to have with our friends in the United States I would not feel it would be any problem at all for the Minister of Defence Production, either in his present capacity or as minister of industry, to eliminate this difficulty by getting this contract signed, thus putting our people back to work. If he does so, certainly we will be very pleased with him and with his efficiency.

Now, Mr. Chairman, I believe that we have to go slowly in this business of setting up new departments, especially in this case where we have a similar department in existence today. I cannot quite understand why the government must set up a new department that is similar to the Department of Trade and Commerce unless they feel the present Minister of Defence Production is unhappy with his portfolio. Perhaps the government feels the minister is capable of carrying a greater workload than is his at the moment. You know, there is a danger of empire building in the civil service, and apparently there is also danger of it within the government. We have more cabinet ministers today than we have ever had in this country's history. If we have new departments we are going to have even more ministers. Perhaps this is an attempt to spread the work around so that as many of their people as possible have appointments of one sort or another and everybody in the Liberal party will have a position. As one of my friends has said, this may be one of the Liberal party's attacks on unemployment. Well, it may be, but I do not believe the people of the country are as interested in eliminating unemployment of this type as they are in the elimination of their liberties, their freedom, resulting from an expanded bureaucracy.

Certainly, the businessmen of this country must be sick and tired of the bureaucracy that there is today without facing any more boards and departments that seem to be in the minds of the individuals who compose the oligarchy in the present government.

Mr. Pickersgill: I wonder if the hon. gentleman would permit me to ask him a question? Could he tell us briefly at this point in his interesting speech what was done in the six years that his friends were in office to reduce the bureaucracy?

Mr. Woolliams: Some are sitting on the treasury benches, if that is any answer.

Mr. Coates: I am glad to have the question from the Secretary of State. I reply, I would say that the Glassco commission was not an example of an endeavour to expand the bureaucracy. Perhaps the hon. gentleman could request the President of the Privy Council to make some move to implement the recommendations of the Glassco commission. There might be fewer civil servants, but we would have a more efficient government, more efficient from the taxpayer's point of view,— that is if you are interested in those individuals, and if you ever get down to the level where you talk to them. I think that is

an important item to be considered. Of course, when one steps from the civil service into government he does not ever get that appreciation of what the individual constituent has in mind as one does if one is in a position where there is some doubt about being elected. If you put your seat up for grabs the way some members of parliament have to do, and as often as some have had to do in the past or have to visit your constituency once in a while, you appreciate how individual Canadians and businessmen are concerned about the growing bureaucracy that is so evident in Canada today.

There is some unhappiness, in my opinion, about the way the present government has indicated it plans to operate. It is quite a frustrating thing for members like the Secretary of State for External Affairs and the Minister of Justice, men who have been politicians all their lives, men who did not join the civil service in the hope of later becoming cabinet ministers as a result of a party finding them safe seats—

Mr. Pickersgill: I wonder if the hon. gentleman would permit me to ask him another question? Does the hon. gentleman now consider St. Antoine-Westmount a safe Liberal seat?

Mr. Coates: If one can judge from the majority the Minister of Defence Production piled up, I would say that is a fairly significant indication that it is a safe Liberal seat at the moment.

Mr. Martineau: May I ask the hon. member a question? Does he consider the constituency of Bonavista-Twillingate a safe seat for the Liberal party?

Mr. Coates: As long as the Secretary of State has the patronage of the premier of Newfoundland, it is.

Mr. Tucker: Filibuster.

Mr. Coates: The hon. member says, "filibuster".

Mr. Pickersgill: If I may interrupt for just a minute, I should like to inquire if there would be any possibility, since it is now five o'clock, of passing the resolution at this stage so that hon. members could see the bill, if I were to give an undertaking that the bill would be the first item called for debate tomorrow.

(Translation):

Mr. Rondeau: Mr. Chairman, I rise on a point of order. May I point out to the hon. member for Bonavista-Twillingate (Mr. Pickersgill) that, since he is not at his place, he cannot ask questions?

[Mr. Coates.]

Mr. Pickersgill: Mr. Chairman, I shall point out to the hon. member that we can speak from any place when the house sits in committee.

(Text):

The Deputy Chairman: Order; I apologize for interrupting the hon. member, but it is five o'clock and the house must proceed to the consideration of private members' notices of motions pursuant to section 3 of standing order 15.

Mr. Pickersgill: I wonder if there was an answer given to my query? The hon. member for Pontiac-Temiscamingue is the senior privy councillor over there, and perhaps he could indicate whether or not it would be agreeable to the committee to pass the resolution so that we could have first reading of the bill.

Mr. Coates: Unlike hon. members on that side of the house, I do not need the hon. member for Pontiac-Temiscamingue to speak for me. I have not completed my remarks as yet.

The Deputy Chairman: It being five o'clock, so that the house may proceed to the consideration of private members' business pursuant to section 3 of standing order 15, it is my duty to rise, report progress and request leave to sit again later this day.

Progress reported.

FREIGHT RATES

REQUEST FOR EQUALIZATION TO EFFECT EQUITABLE COSTS

Mr. Robert Simpson (Churchill) moved:

That, in the opinion of this house, the government should give immediate consideration to the advisability of establishing an equalization of freight rates in Canada in order to provide a more equitable cost of various goods and services in all parts of the nation.

He said: Mr. Speaker, it is an honour and a pleasure for me to have the opportunity of introducing the motion which is before the house at this time. I do so with a feeling of deep responsibility because I realize the importance and necessity of a measure such as I have suggested in this motion. Many areas of Canada suffer from and are severely handicapped by an excessive freight rate, and the area which I have the honour of representing comes within this category.

When I first went to northern Manitoba in 1935 I immediately found that the cost of living in that area was a good deal higher than it was in the city of Winnipeg. The stock answer at that time, when anybody inquired about it, was, "It is the freight rates". Mr. Speaker, this expression is one which has defied the sands of time, because it is still the favorite excuse in relation to all price differentials which obtain in the northern part of the province. I must hasten to admit at

this time that in some instances over the past few years we have received the benefit of some rate adjustments, but in almost all these cases you will find that reductions have coincided with the construction and completion of new highways. Unfortunately, however, the greater proportion of our present rail lines have no competition from these new highways.

Excessive freight rates are one of our main concerns and will continue to be so until some new form of equalization is brought about. The previous government, I am pleased to say, recognized this fact. The present Leader of the Opposition (Mr. Diefenbaker), our former prime minister, repeatedly voiced his keen interest in an equalization of freight rates in Canada. This was one of the reasons for his action in setting up the royal commission on transportation. I believe I am quite justified at this time in saying that it is now an obligation of the present government to carefully scrutinize the findings of this commission in relation to freight rates in Canada and take the necessary action to bring about an equalization of these rates. This, I suggest, is going to be no easy task, but I believe it is essential if we are at all interested in providing equal opportunities for all Canadians.

Mr. Speaker, I am not qualified myself to say just how difficult it may be to bring about such a measure, but the authority I quote when I say it will be a big job is the commission itself, when they mention in their report that the task of appraising the inequities in the freight rate structure and such changes as will alleviate them was one of the most complex that faced them. In presenting an historical analysis of rate making and its evolution from a situation of near monopoly to the present stage of mixed competition, the commission had this to say:

> In the earliest days of the railways, freight rates were not based on well defined principles. Individual rates were sometimes put into effect on an experimental basis and at times special agreements were worked out between carriers and shippers. The innovation of rail transport in Canada was so superior to any existing medium of transportation that little or no complaint was raised for the first 25 years of railway operations. Since neither the shippers nor the government felt inclined to question the rate structure the railways were under no compulsion to provide a theoretical justification for the structure of rates in force.
>
> With the publication of the first classification of commodities in 1874 by the Grand Trunk Railway, a somewhat more rational approach emerged to supplement the test of experience in railway pricing. In this first classification, commodities were grouped in four classes, with the fourth class serving as a basis for the determination of prices in other classes. Special ratings for agricultural commodities and lumber were attached to the classification.
>
> The main principle which seemed to be behind the grouping of the commodities in the initial freight rates classification was "charging what the traffic will bear".

Mr. Speaker, many of my constituents firmly believe that this latter statement is still the yardstick used in arriving at many of our freight rates in northern Manitoba. Freight rates are one of our greatest concerns in western Canada, and I am sure that other hon. members will have something to say in this regard. Before mentioning some examples of why I feel that we in northern Manitoba suffer from unjust freight rates I would like to mention that certain questions always arise when a westerner makes any appeal for equalization of rates. The first question which usually arises is: do you believe that you are the only people in Canada who suffer from abnormally high rates? I hasten to say that we realize full well that comparative situations obtain in many parts of the maritime provinces and other parts of Canada, and that these also should be straightened out. The second question which usually arises is: if you believe in an equalization of freight rates, do you feel that the Crowsnest pass rates should be readjusted? In this regard, Mr. Speaker, I wish to place on the record my thoughts concerning the Crowsnest pass rates.

This agreement was entered into 1897 and was adjusted, I believe, in 1925. However, at the time the rates were determined the Canadian Pacific Railway were granted approximately a quarter of a million acres of land, a monopoly that extended into southern Alberta and the Kootenays, and they were also subsidized to quite an extent. I therefore do not feel that there is any justification now in considering any further erosion in the Crowsnest pass rates. We in northern Manitoba are not asking for any special consideration on freight rates; we are only asking that the distorted share which we are now, in many cases, paying be discontinued and that some realistic rates be arrived at.

Over the years, delegations representing various parts of western Canada have given evidence before the standing committee on railways, canals and telegraph lines and have presented some clear and concise examples of the glaring inequalities in the freight rate structure. On other occasions I have brought some of our own problems in northern Manitoba to the attention of this house. In 1959, I gave some examples of the serious situation we face in relation to the need of bringing new industry to our province. I mentioned the fact that the government of Manitoba is extremely interested in encouraging the development of new industry as quickly as possible.

Equalization of Freight Rates

Some five years ago, the Manitoba government commissioned an economic survey of northern Manitoba. It might be interesting to take a look at what this commission, which was conducted by Arthur D. Little, Inc., had to say in regard to the relation between transportation in northern Manitoba and the possibility of encouraging forest products industries in the area. They said, and I quote:

Transportation is of considerable importance in pulp and paper operations, both for the supply of raw materials and for the delivery of finished products. For raw material supply, northern Manitoba offers facilities comparable with areas in which pulp and paper mills have been successfully established; for the delivery of finished products, however, it suffers from a serious competitive freight rate disadvantage.

In 1959, I mentioned some specific freight rates which were contained in this economic survey report in relation to newsprint and pulpwood. Today, I should like to point out a few of the rates which presently apply in relation to foodstuffs and so on—rates which affect directly, and are borne mainly by, the average working man.

Under agreed charge No. 1,126 from Vancouver, using the 30,000 pound minimum category, we find that foodstuffs can be shipped to Dryden, Ontario, which is 1,673 miles, for $2.40 per cwt., and to Fort William, which is 1,883.5 miles, for the same price, $2.40 per cwt.; but to Flin Flon, which is only 1,479.7 miles, the rate is $2.47 per cwt., and to Lynn Lake, which is 1,630.3 miles, the rate is $2.80 per cwt. Hon. members will see that these rates represent higher rates for shorter distances.

Under the same agreed charge, No. 1,126, the rate from Vancouver to Winnipeg is $1.85 per cwt., a distance of 1,464 miles, while to The Pas, a distance of only 1,388 miles, the rate is $2.33 per cwt. These inequities obtain in the Swan River valley, Thompson, Churchill, and in fact all points along the rail lines to Lynn Lake and Churchill, as they have done throughout the years.

The same situation applies in the case of goods coming from eastern Canada under agreed charges Nos. 1,089 and 230, which show higher rates to these northern centres than to many points in western Canada a much greater distance away from the original shipping point. This is why I feel that unjust discrimination has been going on for many years in regard to these rate structures on all types of freight traffic to northern Manitoba, and I cannot impress upon the government too strongly the urgent need for relief of the situation which exists.

People in many of these northern points desiring to go for a holiday to other parts of Canada and wishing to drive their automobile, must ship that automobile out to the nearest highway and back in again, and there is continuous complaint about this particular rate. Last fall a reduction was made in regard to this rate in and out of Lynn Lake; but last month, I am told, the rate was changed back again to what it was before. I believe this rate on automobiles also warrants investigation and a downward adjustment.

As I mentioned earlier, these unjust freight rates seriously affect every person living in the north, but the two main complaints are that they tend to discourage a more rapid development of that part of Canada while, at the same time, digging deep into the pockets of the family breadwinner. The points I have mentioned represent only a few of the reasons why I welcome this opportunity to bring to the attention of the house and, in particular, to the attention of the government, the urgent need for the equalization of freight rates in all parts of Canada.

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, the problem which occurs to us when we look at the motion before the house is that part of it is a kind which one cannot be against—it would be like being against children, or motherhood, or the royal family at most times. That is the part about the advisability of establishing equalized freight rates. This is the dream, or the ideal, of almost every area—that its freight rates should be equalized, as far as the burden is concerned, with those in the areas where the rates are lowest. It is impossible, in a sense, to be against this idea. I think everyone in the last 40 or 50 years who has talked about freight rates has held it; all the myriad delegations to hearings, the briefs presented before royal commissions, have urged this as a principle.

I have here the index to the hearings of the royal commission on transportation, 1959, and under "freight rates structure" there are a number of headings. In connection with the heading "equalization rates" there are a great many references to show that this has been the position taken. To put it succinctly, everyone is for the equalization of freight rates.

But when we come to the second part of the hon. member's motion, the part containing the words "in order to provide a more equitable cost of various goods and services in all parts of the nation", one finds a continuation of this idea without anything specific being put forward to indicate how equalization would be achieved. With all respect to the hon. member, he talked more about the inequalities than he did about the means of removing those inequalities. The hon. member does not make any distinction between railways and trucks. Yet it is obvious that with the kind of freight being carried today you

cannot have a national transportation policy on freight rates without doing something about trucking. The hon. member gave us no recommendation or opinion as to how he thinks this can be achieved with freight rates at the present time applying in the federal sense just to the railways and not to trucks at all. Does he include water rates, which I think in a general way would come under that heading? Does he want to include the field of air freight, which is developing fairly rapidly?

Turning to another point into which he really did not get, although he did touch on the Crowsnest pass rates and said they were justified, I think it could be argued that the Crowsnest pass rates are a form of equalization. It was certainly argued at the last royal commission that one of the subsidies we are interested in, in our part of the country, the bridge subsidy, is a form of equalization which is equalling the burden which bears on shippers in western Canada. What about the maritime freight rates structure and what it is designed for? Surely that is an attempt at equalization.

Why I am so sceptical about the general good will contained in this motion is that the board of transport commissioners for a number of years, particularly from about 1955 to 1958, laboured hard and held a great number of hearings in connection with the equalization of freight rates, and most people, even the lawyers of the prairie provinces who were the most vigilant ones—for example, I think of Mr. Frawley from Alberta who came down to Ottawa—were prepared to admit that equalization was not particularly successful, although it did have some consequences.

I should like to point out to the hon. member and to the house that we now have over 1,700 agreed charges in existence. I think it is almost exactly at that figure now. This development of the agreed charge has resulted in a tremendous amount of the actual freight which is carried developing a relationship between the carrier—that is the railway carrier—and the shipper. It is all very well for the hon. member to talk about his region as I talk about mine in terms of northwestern Ontario, but how does a regional interest come in when it is possible for the shippers and the railways themselves to bargain for and to set an agreed charge? Obviously, just because of the fact that the truckers are so anxious to contest, or would like to contest, so many of the agreed charges, if they could, in terms of whether or not they are remunerative to the railway, this is a means of getting cheaper shipment of goods. If, as the record shows, the agreed charges are multiplying, and multiplying rapidly, I would argue that this indicates that equalization in the sense of some kind of subsidization or adjustment in the class and commodity rates really does not matter much any more, and that if more and more of the traffic is getting out of the class and commodity rates it is almost impossible to see where equalization can come to bear. I think the hon. member and other hon. members who follow railway freight rates will admit the agreed charges are posted and they can be contested, and any shipper who wants an agreed charge to apply to him can take it up and, if necessary, force the railways to give him that particular rate.

Having made these criticisms of the difficulties of obtaining real equalization, Mr. Speaker, I should not like the idea to be left that either as an individual member or as one speaking for the New Democratic party I was very happy with the general rate situation as it exists in Canada at the present time. Just recently I attended a forum held in Winnipeg, sponsored by what is called the Canadian lake ports association, which is made up of the provincial government in Manitoba, some agencies at both the lakehead and Winnipeg, and supported by the provinces of Saskatchewan and Alberta. It is designed to increase the use of the Canadian lakehead for shipment of goods to and from the west, the whole idea being that water transportation, since we have it for eight months of the year, should lead to much cheaper goods. One of the conclusions which I have reached after attending this forum is there is some form of co-operation, or collusion, if you want to put it that way, between the leading lake shipper, Canada Steamship Lines, and the railways—I suspect the Canadian Pacific Railway mostly—and that this is designed to keep the rail-water rates just at a 7 per cent margin, no more, no less, over the rail rate into and out of western Canada. It is all very well for the royal commission on transportation to recommend competition between the various modes of transportation, although in a sense I would agree that that would be the ideal way to keep your freight rates on the lowest possible basis. But when we have a specific example where the lake-rail rate into the west and out of the west is only worth a 7 per cent margin, it is quite obvious why more general cargo is not being shipped west or east through the rail and water combination. It opens up the kind of problem with regard to freight rates that I do not feel the royal commission touched on, and I have very little hope that the board of transport commissioners or the government will open it up.

There is one other example I can give from my own region which would indicate

the need for greater flexibility and adjustment in freight rates, although I do not see how any measure of equalization is really relevant unless you want to look outside your own country. At Steep Rock mines they are producing iron ore which is shipped out of the Canadian lakehead mostly into the American market. Steep Rock mines are operating relatively at a considerable slump, and the main reason is because they have been unable to compete either with the higher grade taconite shipments from both the Mesabi and Marquette ranges down into the American market and also with some of the Labrador ores. Just last year, after much negotiation, the mines at Steep Rock finally obtained a charge from the Canadian National Railways, which is the sole shipper to the lakehead, which set a price for the ore provided they shipped so much, and then the thing would move in escalation depending on how much or how little they shipped.

Not long after this agreement was signed the closest competitors of the Steep Rock iron mines, the Mesabi range producers in the United States and the Marquette range, arranged for substantial cuts with their railways in the United States, and as a consequence the United States railways set-up in this whole iron ore picture tends to have a much greater flexibility on rates than we have in Canada. I am concerned, as I know are the hon. members for Kenora-Rainy River (Mr. Benidickson) and Fort William (Mr. Badanai), over the fact that the Steep Rock iron range is not producing nearly to its capacity. One of the real factors in this low production is the level of the freight rates. I would argue, Mr. Speaker, that it is much more important for us to develop some kind of flexibility which will lead to a continuing adjustment of that freight rate so that mining regions can compete, than to have any over-all process of equalization that may be in the hon. member's mind so far as this motion is concerned.

I should also like to make the point, Mr. Speaker, that until we wipe out the bridge subsidy—and it has not been wiped out yet—until we wipe out the Crowsnest pass rates, the Maritime Freight Rates Act and the federal grain assistance act, which are instrumental in moving a lot of particular kinds of commodities to various parts of the country, it will be impossible to envisage any fair kind of equalization process that will really work effectively to help regions such as the hon. member represents.

I would like to suggest that one of the responsibilities of these regional development councils that are going to be set up under the new department of industry should be to examine the regional problems in terms of transportation, and see if we cannot get some kind of help in that way, considering the various modes of transportation available, rather than through any general over-all equalization policy.

In conclusion, I would like to say to the hon. member that we do not feel it is enough to say you are against sin and for motherhood, and making this analogous to the problem it is not enough to say that you are for equalization of freight rates. The responsibility resting on each one of us concerned with this problem is to spell out how we would like to see it tackled in so far as our own regions are concerned.

In northwestern Ontario we have been concerned and worried about this problem for a long time and we feel it should be studied by our regional economic council, which we hope would have both federal and provincial affiliations, so that out of that will come the kind of recommendations that will be listened to by the board of transport commissioners and the general economic advisory council that is recommended by the royal commission on transportation, which I hope the government will proceed with.

I have one last word with regard to freight rates, Mr. Speaker. It was my impression, following the hearings of the royal commission on transportation, that the reluctant party in the whole business of moving away from the old kind of structure was the C.P.R. It seemed to me that Mr. Ian Sinclair, vice president of the C.P.R. and their chief lawyer at the hearings, was set in his position that he was not going to allow the kind of freedom in transportation competition that seemed to be developing in the commissioners' minds as the hearings went along.

I look upon the recommendation of the royal commission on transportation as a victory over the C.P.R. conception with regard to the freight rate structure, and to its role in transportation, and I hope that this victory, which has not yet been crystallized in terms of either agency or policy with regard to freight rates, will be pushed to its conclusion by the government. If the referral of this motion of the hon. member to the standing committee on railways and canals would help in any way, we in this party would be glad to support that, if it is at all possible. If it is not, I would on the other hand hate to see this motion accepted by the house without some kind of amendment, because as it stands it is not sufficient.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, the subject of freight rates is not a new one. It has been of vital concern to the far west and far eastern parts of our country for many years. Down through the

years this chamber has heard many expressions of opinion with regard to how the problem could be solved, and I would like to think that the problem which is involved here could be as easily settled as the motion suggests. I agree it is a very difficult problem. It is an over-all problem in the larger areas, and a regional problem in the lesser areas.

Mr. Speaker, it is essential that some more satisfactory basis be provided to solve our problems. Just to say that the government should give immediate attention to the feasibility of establishing equalization of freight rates is an over-simplification. This has been said many times before. We agree with it in principle; in that it is necessary, but it is not just as simple as that.

Briefly going back over the history of this matter we find that section 336 of the Railway Act was enacted in 1951 as a direct result of the Turgeon royal commission on transportation, which then recommended the equalization of freight rates. That section declared it to be the national freight rates policy that, subject to certain important inspections, so far as it is reasonably possible every railway shall charge tolls to all persons at the same rate whether by weight, mileage, distance or otherwise. Under the direction of that legislation, the board of transport commissioners in 1952 undertook a study of the entire Canadian freight rates structure, by increasing here and by decreasing there the regional inequalities concerning which complaints had been received from each of the provinces for many years. Then by 1954 the board had completed its study of the class rates. Those rates, while they do not carry a large proportion of the traffic, are nevertheless important because they are the basic rates which are used in the negotiation and publication of various special rates.

Then, on March 1, 1955, the uniform class rates scale came into effect, and the situation since that date is that the class rate charge for 100 miles of haul in western Canada does not exceed the class rate charge for 100 miles of haul elsewhere in the country.

Following that, the board of transport commissioners proceeded to review commodity rates, both mileage rates and special commodity rates. These rates carry a great volume of traffic, and it was important to bring about an equalization in that area because there were serious differences in the scales in force in western Canada and those in eastern Canada.

The board continued that work for several years but it was suspended in 1958 when the government declared in parliament that there was to be no freight rate increase during the currency of the MacPherson royal commission on transportation, set up in May 1959. The reason for the board's suspending its equalization studies was obvious. Equalization necessarily means a reduction in some places and an increase in others, and there could be no equalization so long as the government's policy was as it was.

Today the responsibility for further action in this regard rests on the one hand with the government and on the other with the board of transport commissioners. I agree with the hon. member for Port Arthur (Mr. Fisher) that there must be more flexibility in this adjustment of freight rates, but there are many difficult aspects involved to which satisfactory answers have not been supplied to date.

I believe that while this motion is basically sound in its principle it will not result in the government's saying tomorrow, "We are going to have equalization of freight rates, or we are going to attempt to bring it about". I agree with the hon. member for Port Arthur (Mr. Fisher) that the two resolutions before the house at the present time, relating on the one hand to the setting up of a department of industry and on the other hand to the setting up of a national economic council, provide an approach through which a more satisfactory answer can be reached with respect to the problem with which this resolution is concerned. Certainly there are many regional problems which must be taken into consideration, and it is the responsibility of the government to bring these various studies to a conclusion and to make sure that the various boards and agencies now in existence or which will be brought into existence have the definite responsibility to take some action in this regard.

To speak directly to the resolution, it is difficult to see that this is the answer. The resolution is reacting to the problem which must be solved. I would also agree that if passing this resolution meant that it would be referred to the committee concerned for further study, it would be a good thing; but I hardly think that the problem can be solved so easily. Let us remember as we consider this matter that this is not something new. It has been studied for a long time. I believe we must learn from the lessons that have emerged from the studies that have been carried on. To arrive at a more flexible and equitable solution of the over-all problem is something that, while necessary, is not just as easy as it would seem to be in this resolution.

We must also remember that in the decisions and studies which have been made, a great deal of progress has been achieved. As far as I am concerned as a westerner and

speaking also for the Social Credit party, it is essential that there be action. While I am in sympathy with the resolution I am not at all convinced that it provides the answers.

(Translation):

Mr. Rosaire Gendron (Riviere du Loup-Temiscouata): Mr. Speaker, since this is the first time I rise in this house, I would like first of all to offer my congratulations and ask you to convey my congratulations also to the Speaker and to the Deputy Speaker. I add to these congratulations my best wishes for a long term of office in the chair.

I feel that the atmosphere you created makes easier the task of freshmen like myself. It makes it easier to jump in the fray. This reminds me of two verses from Moliere.

Bien lui en pris de n'être pas de glace,
N'y eût bientôt plus qu'une marre d'eau à sa place.

This motion submitted by the hon. member for Churchill (Mr. Simpson) recalls to a certain point the history of this country, of the railways and more particularly of my constituency. As a matter of fact, the history of our country is most certainly related to the establishment of railway transportation. It would have never been possible, in my opinion, without linking the Atlantic and the Pacific oceans with this ribbon of steel to ensure the commercial development of areas which would have otherwise been very slow to contribute to the progress of our country. I am thinking of all the western provinces which before the advent of the railways had a population slightly above that of Riviere du Loup and have now become the pride of the country, being the granary of almost the whole world and giving such a considerable impetus to our economy.

However, there is also a problem which has always caused conflicts, the problem of the economical operation of railways and also on the part of the government on implementation of a policy of national economic development. As a matter of fact if we have had any desire to follow economic lines of the time, a hundred years ago, there is no doubt that we would have built a north-south railway instead of an east-west railway. It was done differently, because a whole new country was to be created, new areas, districts, were to be opened up. It was thanks to that faith that builders have, and which can displace mountains, that we are living in this great and beloved country of ours.

On the basis of that principle, that is, on the one hand, the search for the economic evolution of this country and, on the other hand, the economic feasibility of the undertaking, there necessarily arises a permanent conflict which will not be easily solved. However, such was the spirit of our forefathers, who wanted to build something great and to develop the marginal areas of this country. When searching for a solution, it is essential that a spiritual atmosphere be created, which would help the underdeveloped areas to evolve normally within the Canadian economy.

I said before that this also reminded me of the history of my constituency. Also, one hundred years ago, the Grand Trunk had a terminal at Riviere du Loup. And a few years later, Riviere du Loup was linked with New Brunswick by the Temiscouata railway, which is now a part of the C.N.R. system. And because of those transportation facilities, our county was enjoying a considerable expansion which was to provide for its development but which, unfortunately, also led to serious difficulties, especially at the time of the dieselization of the equipment and the closing down of our C.N.R. workshops.

Mr. Speaker, I would say that the advent of the railway almost had international effects, because in 1862, the *London News* said this:

Most of our readers never heard of Riviere du Loup, but if war broke out with the United States, because of present unfortunate disagreements between England and the United States, Riviere du Loup would become as well known to the English public as Balaclava was during the Crimean war, because that is the place and just about the only place where, during winter, we would be able to make contacts and send the troops and supplies necessary to the defence of that part of our great and priceless colony situated between the mouth of the St. Lawrence river and the shore of lake Huron.

Mr. Speaker, if railways can make way for a considerable development and give certain regions a marked geographic importance, it is essential to encourage the development of depressed areas through freight rates which provide for the normal development of their economy, of their industry and of their general trade.

I congratulate the hon. member for Churchill (Mr. Simpson) for bringing this serious problem to the attention of the house and I agree with those who took the floor before me and who pointed out that this was an important but very complex problem. The principle set forth in the resolution could become an extremely important planning instrument for the government. However, it is not the only one, because I am convinced that if the emphasis is placed only on transport rates in order to ensure the development of underprivileged regions, the problem of unfair and discriminatory competition with regard to other means of transport arises then.

On the other hand, if the emphasis is placed only on profit and the financial sound-

ness of the undertaking, the necessity to enable all regions, however remote, to contribute to the growth of the country is forgotten.

How are we to find, between those two positions, the middle of the road solution that will, on the one hand, enable the railways to meet their obligations and make a profit and, on the other hand, prevent the underprivileged regions from feeling neglected because of their remoteness?

I am of the opinion that there is not only one solution in that respect. Freight rates represent one solution. But remote regions must not be deprived of the preferential rates they now enjoy. We must also take into consideration the whole situation and, if necessary, contribute to the operation of other means of transportation in order to help them play their part both at the economic level and in the field of area development.

It is the intention of this government to introduce many supplementary measures which will promote, in the normal way, the development of the less fortunate areas of our country, such as setting up of a department of industry, agricultural rehabilitation and development programs, changes in the Department of Agriculture, in order that more attention can be paid to some areas and some particular problems.

All those supplementary measures will help solve this transportation problem.

However, the region is faced also, in that field, with particular problems which were submitted to the royal commission on transportation by the province of Quebec. And at page 123, I read this:

> That region has particular economic features and the C.N.R. can improve its revenue and at the same time help the region if it will only adopt the following recommendations.
>
> First, set up a regional district in the lower St. Lawrence and the Gaspe peninsula which could be known as the lower St. Lawrence-Gaspe peninsula region or the Appalachian region.
>
> Second, assign to that office French speaking personnel, use bilingual documents and give instructions in both languages.
>
> Third, establish a piggy-back system.

One knows that such a system has been set up since. One also finds in that brief complaints to the effect that some truckers could not take advantage of this service of the C.N.R., which considered them as foreigners. Finally, the brief mentions that independent truckers are also citizens and consequently must receive from the C.N.R. the same attention as other people.

Mr. Speaker, in the fixing of railway rates, it cannot be overemphasized that it is necessary to help remote and underdeveloped areas.

We know that economic forces, left to themselves, tend towards a great centralization. Industrialists are inclined to settle in large cities, because they find there a market which attracts businessmen, and the people follow. Then we see the young people in rural and remote areas leave for the cities; we had to train them and pay for their education, but once they are in a position to help our expansion, they go to the cities because we cannot provide them with jobs.

I feel that is pure waste since, in many cases, those young people add nothing to the municipalities where they settle down. On the other hand, this bleeding of our communities contributes to the slowdown of the economy at a time when we need all our strength and our intellectual resources to stabilize our economy.

In my opinion, this should be kept in mind when the rates are established because, in any circumstance, the government has to make good the frequent deficits of the railways. In addition, since the government has to make large expenditures to assist in various ways —very often without any result—the less developed areas, grants should be made to boost the economy and to stop this exodus of young people, by stabilizing the economy of the whole country.

In closing, Mr. Speaker—

(Text):

The Acting Speaker (Mr. Batten): Order; I apologize for interrupting the hon. member, but it being six o'clock I must advise the house that the hour for the consideration of private members' business has expired.

BUSINESS OF THE HOUSE

Hon. J. W. Pickersgill (Secretary of State): Mr. Speaker, I wonder if it might be possible to get an order of the house now to permit us to sit after ten o'clock tomorrow evening, if it should be necessary, for long enough to enable the financial critic of the opposition to make his spontaneous response to the budget? My hon. friend, the Minister of Finance has indicated that he reads very slowly and he might be cramping the style of the hon. gentleman opposite if we insisted on adjourning precisely at ten.

Hon. Gordon Churchill (Winnipeg South Centre): I believe that will be agreeable, Mr. Speaker. We did this once before a year or so ago and ran over just a few minutes past ten o'clock. The financial critic on this side will speak very quickly and shortly.

Mr. Knowles: Agreed.

The Acting Speaker (Mr. Batten): Do I hear unanimous consent?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Batten): It is so ordered.

Mr. Churchill: May I ask the house leader to give us in a short sentence, so that he who runs may read, the business for tomorrow?

Mr. Pickersgill: As a matter of fact, sir, I think hon. gentlemen will find they can read better if they sit down.

It is the intention of the government to go on with the debate on the department of industry resolution as the first item of business tomorrow, and as soon as that has been concluded, to begin the resolution respecting the Department of Agriculture. In the event that both those items should be completed before five o'clock, I would begin the Atlantic development board resolution. If there should be any time between the conclusion of the rapid remarks of the financial critic opposite and ten o'clock, we would go on until ten o'clock with whatever business had been interrupted at five o'clock. As far as Friday is concerned, I think perhaps I would rather wait until tomorrow night to indicate the business for Friday, because it will depend to some extent upon what progress we make tomorrow.

It being three minutes after six o'clock the house adjourned, without question put, pursuant to standing order.

END OF VOLUME I